

# The National Life Insurance Writer

FRIDAY, FEBRUARY 16, 1934

## THE OHIO NATIONAL LIFE INSURANCE COMPANY Cincinnati, Ohio



Silver  
Anniversary  
Year

Silver  
Anniversary  
Year

New Home Office Building, Reading Road and McMillan Bridge

### ANNUAL STATEMENT—as of December 31, 1933

#### OUR RESOURCES:

#### OUR LIABILITIES:

Item	Per Cent of Assets	Amount
CASH	2.06%	\$ 782,619.70
This is the amount of cash in banks, available for immediate payment of claims or other cash demands.		
BONDS*	34.91%	
Government, State and Municipal		\$11,414,364.87
Federal Land Bank		1,132,144.88
Railroad		80,286.04
First Mortgage and Miscellaneous		645,516.85
		13,272,312.64
PREFERRED STOCKS	.01%	5,400.00
MORTGAGE LOANS	25.27%	
Farm Properties		\$ 3,238,982.03
Urban Properties		6,307,402.52
First mortgages on improved properties for not more than 50% of the appraised value of any property.		9,606,384.55
POLICY LOANS AND LIENS	24.59%	9,348,216.89
This amount loaned to policyholders on their policies.		
HOME OFFICE PROPERTIES	2.65%	1,008,843.95
Fully rented, yielding 4½% net on book value.		
OTHER REAL ESTATE	6.71%	2,552,282.69
DUE AND ACCRUED INTEREST	1.53%	581,177.99
DUE AND DEFERRED PREMIUMS	2.27%	863,542.02
Premiums in process of collection December 31, 1933.		
TOTAL	100.00%	\$38,020,780.43

\*Values for bonds not subject to amortization are those furnished by the National Convention of Insurance Commissioners.

NET RESERVE	\$32,677,348.00
The amount of the Legal Reserve required by law to assure that all policy obligations will be promptly and fully met.	
ADDITIONAL RESERVE	1,263,642.81
This amount is to guarantee special benefits incorporated in some policies.	
POLICY FUNDS	825,089.69
This amount has been left on deposit with the company by policy holders.	
DEATH CLAIMS	151,796.00
This amount is for payment of death claims incurred on which final papers had not been received by December 31, 1933.	
RESERVE FOR TAXES	131,088.88
INTEREST PAID IN ADVANCE	166,256.81
PREMIUMS PAID IN ADVANCE	81,729.71
DIVIDENDS TO POLICYHOLDERS	113,471.84
Dividends on participating policies payable to December 31, 1934.	
CONTINGENT COMMISSIONS	44,600.02
CURRENT ACCOUNTS AND OUTSTANDING DRAFTS	36,610.84
BORROWED MONEY	NONE
CAPITAL	\$ 828,731.01
ASSET FLUCTUATION FUND	700,414.82
UNASSIGNED SURPLUS	1,000,000.00
POLICYHOLDERS' EXCESS PROTECTION	2,529,145.83
TOTAL	\$38,020,780.43

GROWTH IN INSURANCE IN FORCE	
December 31, 1923	\$44,206,139
December 31, 1928	\$73,023,139
December 31, 1933	\$187,639,151

GROWTH IN ASSETS	
December 31, 1923	\$4,600,023
December 31, 1928	\$9,913,309
December 31, 1933	\$38,020,780

For information relative to a General Agent's contract, write to John H. Evans, Vice President.

**THE OHIO NATIONAL LIFE INSURANCE COMPANY**  
T. W. APPLEBY, President  
CINCINNATI, OHIO

# Financially Invulnerable

## The Western and Southern Life Insurance Company

CINCINNATI

CHARLES F. WILLIAMS, President

### *A Human Institution Serving Human Needs*

FINANCIAL STATEMENT, DECEMBER 31, 1933

With a fixed and unswerving determination on the part of the Directors of The Western and Southern Life Insurance Company to so administer its affairs as to make its name a symbol of strength, security and safety, the financial statement herein is presented as a manifestation of its PROGRESS.

Despite three years of economic onslaught on security values, the high grade and character of our assets has enabled us to meet all demands and obligations as presented, and without raising premium rates or the sacrifice of a single security, and is conclusive proof to our policyholders of the safety and security of their insurance investments in The Western and Southern.

Our bonds consist solely of United States governments

and choicest municipals, all carried at their amortized value and with but \$1,887 of delinquent interest on a total bond investment of \$22,556,000 as of December 31, 1933.

Our real estate is carried at a figure which represents a forced sale value, with a practice of charging off each year sufficient to bring the net rental return to a 5% basis.

With such proved assets, demonstrative of sound and conservative investment policy and with increasing evidence of recovery most apparent, The Western and Southern looks forward to the coming year with confidence and invites your consideration of it as a Dependable Repository for your Life Insurance coverage. **LOWEST GUARANTEED PREMIUM RATES OF ANY UNITED STATES LIFE INSURANCE COMPANY.**

#### ASSETS

Home Office Building and Properties		\$ 800,000.00
City Real Estate, Exclusive of Home Office	{ All real estate valuation less than tax value }	6,524,702.47
Farm Properties		1,241,696.13
First Mortgage Loans on City Property	{ All loans limited by law to 1/2 of appraised value }	85,921,438.15
First Mortgage Loans on Farm Property		1,343,438.70
Policy Loans		8,905,713.91
Cash and United States Government Bonds		15,822,436.41
Municipal and Home Owners' Loan Corp. Bonds		7,172,932.40
Ground Rents		1,015,000.00
Accrued Interest on Loans, Bonds and Ground Rents		1,370,713.29
Net Uncollected and Deferred Premiums		1,557,803.16
<b>Total</b>		<b>\$131,675,874.62</b>

#### LIABILITIES

Reserve for Protection of Policyholders	\$106,225,976.42
Premiums and Interest Paid in Advance	488,902.07
Taxes (1933) and Incurred Unpresented Items	3,023,625.77
<i>Borrowed Money</i>	000.00
Capital	10,000,000.00
Surplus	11,937,370.36
<b>Total</b>	<b>\$131,675,874.62</b>

Financial statements are scrutinized with keen interest during periods of economic depression. It is therefore gratifying to present a statement revealing a condition of financial strength not excelled by any life insurance company in the United States.

The lowest point in the financial crisis which culminated in the bank holiday marked the most difficult test to which life insurance has ever been subjected. With practically all other sources of money frozen tight, business was threatened with total paralysis,

while family financing tended toward a return to primitive bartering. This situation resulted in an unprecedented demand for cash and loans on outstanding life insurance policies.

In this, the most severe financial emergency in history, The Western and Southern met every policy obligation promptly and in full. This accomplishment was not only of inestimable value to our policyholders, but most convincing proof of financial stability in any crisis.

***To Assure Financial Safety Insure in the Western and Southern Life***

# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-Eighth Year—No. 7

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, FEBRUARY 16, 1934

\$3.00 Per Year, 15 Cents a Copy

### Commissioners in Code Resolution

Offer to Appear Before Gen. Johnson and Give Their Viewpoint

#### EXECUTIVE GROUP ACTS

Committee, at N. Y. Meeting, Also Asked to Be Furnished With Copies of Future Filings

NEW YORK, Feb. 15.—Holding that as representatives of the insuring public within their respective states the commissioners have a vital interest in any proposed code for regulating underwriting practices throughout the country, the executive committee of the National Convention of Insurance Commissioners, following a special gathering here, wired Gen. H. S. Johnson, NRA administrator, offering to appear in Washington at any time and give him the benefit of their views upon any phase of a submitted code, should he so desire. The telegram reads:

"Various questions involved in any code of fair competition affecting the insurance industry now filed, or to be hereafter considered, are important from the standpoint of the public represented by the respective insurance commissioners of the United States. At a meeting of the executive committee of the National Convention of Insurance Commissioners held at New York City today, it was determined to call this to your attention and to offer, if you so desire, the viewpoint of the National Convention of Insurance Commissioners on any phase of the matter before definite conclusions are reached."

#### Those Who Signed

Members of the executive committee signing the message were: Commissioners M. L. Brown, Massachusetts, chairman; G. W. Brown, Minnesota, president; D. C. Boney, North Carolina, G. S. Van Schaick, New York, R. C. Clark, Vermont, Theodore Thulemeyer, Wyoming, S. A. Olsness, North Dakota, J. G. Read, Oklahoma, and Deputy Commissioner C. A. Gough, New Jersey. Commissioners E. F. Mitchell, California, Ernest Palmer, Illinois, and E. W. Clark, Iowa, who are also members of the executive committee, were unable to attend.

The committee then adopted a resolution requesting that copies of any code or codes that may hereafter be filed with the NRA be furnished to each of its members; thus affording opportunity to study the provisions and formulate opinions. The gathering was held in the local office of the New York department, the session continuing several hours. The committee already had studied the detailed code filed by the National Association of Insurance Agents

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### Friendly Leadership Now Important in Agency Work

Modern sales management places increasingly greater emphasis on sympathetic and cooperative leadership, getting away from the old-time idea that men must be driven to do their best work, Second Vice-president Henry E. North of the Metropolitan declared at the convention of managers and leading assistant managers and agents.

The manager's biggest job is to keep on building good organization, he said. Production records do not mean much without good organization. Proper mental attitude and esprit de corps are highly important. The leadership must be real and not simulated.

#### Real Leadership at Premium

"Men appreciate a leader who is fair even though he is strict," said Mr. North. "They want to know that you are a hard worker, that you have the ability to train and develop them. Be a friend to every one of your agents."

"It has been said that sales management consists in getting better than average results from average men. To get better than average results, time control is important not only for yourself and for your assistant managers but for your agents. Very few managers know exactly how their men do their work and how long it takes them to do it. We investigated 1,700 cases and the difference between the way the good man works and the average agent is absolutely astounding. But you can't teach a man anything who is using up too much of his time making collections, checking up on arrears and the like. He is too disturbed."

#### Have Special Canvasses

"If a man is weak on prospecting we have the 'getting acquainted' call, for approaching the family next door or across the street. We know it is effective, because it has produced results. Is an agent weak on selling? Go out with him and watch him. See where he needs help. Don't do it all for him, but see what is wrong with his methods. The 'rainy day' canvass can help him improve. Of 391,000 calls made on this canvass, 46 percent resulted in applications, or nearly one application for each two calls. It used to be about one out of every seven calls."

"What will put these methods across? The managers and assistant managers must be behind it, but there must be no strong-arm methods to force them on the agents."

"Life insurance has never been sold the way it should be. There has been too much selling of policies."

#### Other Officers Are Speakers

Leroy A. Lincoln, vice-president and general counsel, gave some interesting figures on the size of the company's operations. One-fifty-second of all mail entering New York City, or the equivalent of the city's mail for an entire week of each year, goes to the Metropolitan, Mr. Lincoln said. There are something over 100 miles of filing cabinets in the home office.

Second Vice-president E. H. Wilkes gave a number of reasons why agents

should do better in 1934, among them being the new contract for agents, the attitude of the American public toward life insurance, the comparative absence of competition for the policyholder's dollar that existed in the boom era, the standing of the company, the able leadership of President F. H. Ecker, and the company's aggressive sales and educational organization.

A great future for group insurance was predicted by Second Vice-president J. E. Kavanagh, who said that the NRA codes are making employers more conscious of their obligations to employees. He urged managers to make the fullest use of the services of the company's group specialists.

#### Stress Accident and Health

Third Vice-president S. M. LaMont declared that the public's experience with stoppage of incomes because of the depression made them better prospects for accident and health insurance. The company's accident and health business is showing the best persistency of any time since 1929, and January new business showed an improvement over the same month in 1933.

Third Vice-president L. I. Dublin urged managers to take an active part in health and welfare work in their communities, both for the prestige value and for the saving in mortality produced by the extension of welfare activities.

Other speakers were Actuary J. D. Craig, Third Vice-presidents F. M. Smith, F. J. Williams, H. D. Wright and Samuel Milligan, and Secretary W. C. Fletcher, all of whom dealt principally with company matters.

President Ecker's address on the opening day, in which he analyzed the company's annual statement and announced continuation of the 1933 dividend scale, was reported in last week's issue of THE NATIONAL UNDERWRITER.

Mr. Lincoln touched on the company's cases which came into the courts, pointing out that litigation varies according to localities, and is not proportional to population. Most claims, however, are paid with no delay, only one-third of one percent being rejected.

### January Sales Increase 8.3 Percent Over 1933

New life insurance production for January registered an 8.3 percent gain over January, 1933, according to figures of the Life Presidents Association, the month's business being \$665,457,000, as against \$614,431,000 for the same month last year.

Ordinary was \$435,676,000 against \$423,573,000, a gain of 2.9 percent; industrial \$197,108,000 against \$168,312,000, gain of 17.1 percent; group \$32,673,000 against \$22,546,000, a gain of 44.9 percent.

### New Annuity Tax Method Weighed

Measure Would Tax Portion of Proceeds from the Beginning

#### LEVY IS NOW DEFERRED

Ways and Means Committee Feels Change Essential Because So Much Capital Is Buying Annuities

WASHINGTON, D. C., Feb. 15.—Amendment of section twenty-two of the existing revenue law to make clear the exclusion from gross income of proceeds of life insurance policies payable by reason of the death of the insured in the form of any annuity, but requiring the inclusion in gross income of three percent of the cost of annuities payable to the annuitant, from the annual payments are provided for in the new tax bill reported to the house of representatives this week by the ways and means committee.

The measure provides among the exclusions from gross income "amounts received under a life insurance contract paid by reason of the death of the insured, whether in a single sum or otherwise (but if such amounts are held by the insurer under an agreement to pay interest thereon, the interest payments shall be included in gross income)" also "Amounts received (other than amounts paid by reason of the death of the insured and interest payments on such amounts and other than amounts received as annuities) under a life insurance or endowment contract, but if such amounts (when added to amounts received before the taxable year under such contract) exceed the aggregate premiums or consideration paid (whether or not paid during the taxable year) then the excess shall be included in gross income."

#### Proceeds of Annuities

"Amounts received as annuities under annuity or endowment contracts shall be included in gross income; except that there shall be excluded from gross income the excess of the amount received in the taxable year over an amount equal to three percent of the aggregate premiums or consideration paid (whether or not paid during such year) until the aggregate amount excluded from gross income under this title or prior income tax laws equal the aggregate premiums or consideration paid."

"In the case of a transfer for a valuable consideration, by assignment or otherwise, of a life insurance, endowment, or annuity contract, or any interest therein, only the actual value of such consideration and the amount of the premiums and other sums subsequently paid by the transferee shall be

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# President of Metropolitan Life Discusses Government Financing Plan

Should the time come when political pressure demands the continuance of heavy government expenditures beyond the needs of restoring prosperity, clear thinking individuals who foresee impending trouble must be relied upon to lead public opinion to assist the President in withstanding political demands, President F. H. Ecker of the Metropolitan Life declared at that company's annual banquet which was attended by managers and assistant managers and agents, and by home office executives.

"Without going into the changes in the laws that have taken place," said Mr. Ecker, "it may be said that, practically speaking, most of the former controls of our credit extension have been removed and the great power centralized in the government. The fact that such a form of uncontrolled credit inflation becomes available does not mean necessarily that it will take place. I only point out that the powers now concentrated in our government are more than have ever existed heretofore and that there will come a time with expansion in business when it will be necessary to put on the brakes. I might add that it is an extremely arduous task for government officials to apply brakes which will slow down the prosperity of a country.

## Need to Regain Some of the Former Prosperity

"There is no need to worry about such specters today. Our first job is to regain some part at least of our former prosperity. When the pump has been sufficiently primed by government expenditure so that business can continue of its own momentum, we must assist in the support of an enlightened public opinion against the pressure that will be brought to bear for further expenditures which can only result in undermining the credit of our government, which is the very foundation-stone of our economic welfare.

## Slowing Down Process Will Be Difficult One

"The governor in the engine is tied down and the throttle is in the hands of one man. The time will come when it will be the part of wisdom to see that the speed of the train is slowed down. There will be, however, great political pressure brought to bear against the

slowing down process. Cogent but selfish reasons will be advanced to continue government spending and increase government borrowing, the result of which can only be loss of confidence in the stability of government credit followed by chaos. Should that time come, the clear thinking individuals that foresee impending trouble must be relied upon to lead public opinion to assist the President in withstanding political demands."

## Reaction of the People Was One of Real Relief

Reviewing the recent financial operations of the government, Mr. Ecker said that when the first shock of the magnitude of these expenditures had subsided, the reaction of the country seemed rather generally to be one of relief, because governmental expenditures, if financed in the customary manner, eliminated from the program currency inflation through greenback issuance.

"There are very evident indications that business all over the country has been improving again recently," Mr. Ecker said. "I have no doubt but that the government expenditures will assist materially in raising the price level

in this country, and an increase in business activity seems to be expected definitely in the immediate future. The administration is attacking the depression in the manner in which our country would go to war against any adversary. All efforts are being concentrated upon one objective very evidently. In war time, centralization of power is the most efficient means known to accomplish rapidly the results desired."

The gold reserve act of 1934 and the proclamations coming from authority therein granted, Mr. Ecker termed of the greatest significance.

## Method of Credit Control Has Been Thoroughly Changed

"It may not be generally appreciated that our former method of credit control has been so thoroughly changed. Whereas, such control formerly rested in the federal reserve system, governed by the boards of directors chosen from industry and banking throughout the 12 federal reserve districts of our country, it has now been largely transferred to the Secretary of the Treasury and the President of the United States. It accepts the conclusion that under as great an emergency as the present, this

concentration of power is necessary for the fulfillment of our rehabilitation program."

Referring to the contemplated increase to a total of 31 to 32 billion dollars, an increase of about 6 billions over the previous peak caused by war expenditures, Mr. Ecker said:

"There may be no question but that this country can support this increase in debt. The question which is giving concern, however, will be the ability to stop there."

## Anniversary Number of Union Central Bulletin

The Union Central "Agency Bulletin" observed its 30th anniversary Feb. 5 with the publication of an attractive 12 page issue. "This paper will be for the purpose of enabling the agents and managers to help each other. It will give opportunity for an exchange of facts and a comparison of methods which will be of value to all," states Vol. 1, No. 1.

Vol. 31, No. 1, gives an account of the board of directors meeting, articles by D. H. Ward, New York, and Arthur E. Meyer, Alexandria, La., leading agents, an account of the annual \$500,000 club meeting at Miami Beach, a brief synopsis of Union Central history since 1904 as recorded in its pages, and a page of advertising displays used in 1884, 1905, 1916 and 1934.

Interesting events in Union Central history recalled are: November, 1907, quotation from a prominent magazine: "Banks close. Banks break. Stocks tumble. Real estate ventures go to smash but life insurance goes straight along paying millions to save widows and orphans;" October, 1910, photostatic copies of applications used for first time. Copying previously had been done by hand; April, 1912, construction of new building started; May, 1912, two losses paid because of Titanic disaster; October, 1917, first war claim paid on policy number 441,178; January, 1924, Union Central passed \$1,000,000 insurance-in-force; November, 1928, policy number 1,000,000 issued; April, 1932, national advertising program announced.

Editors of the "Agency Bulletin," in their respective order, were: John D. Sage, Union Central president, 1921-1928; the late George L. Williams, vice-president; Charles Hommeyer, vice-president; E. E. Kirkpatrick, superintendent of agencies, Ohio National; C. A. Read, underwriter in the home office; W. F. Hanselman, superintendent of agencies; Mark S. Trueblood, Los Angeles manager and formerly assistant superintendent of agencies; and H. Dixon Trueblood, district supervisor for New England and other Eastern states. Clyde Ferguson is the present editor.

## Senate O. K.'s Investment Bill

LOUISVILLE, Feb. 15.—A bill advocated by Commissioner Senn of Kentucky, regulating investments that Kentucky insurance companies can make, was passed by the Kentucky senate by a 34 to 1 vote.

## President Duffield to Speak

President E. D. Duffield of the Prudential will speak at the annual meeting of the New York City Life Managers Association Friday. Elections will be held, the slate comprising the present officers: E. W. Allen, New England Mutual, president; L. A. Cerf, Jr., Fidelity Mutual, vice-president, and W. J. Dunsmore, Equitable of New York, secretary-treasurer.

# Catalogue Plan in Canada

Interesting Review of Results Achieved by the Life Insurance Company Conducted by Eaton Store of Toronto

Owing to the fact that the T. Eaton Department Store of Toronto conducts a life insurance company known as the T. Eaton Life Assurance Company, its experience is interesting in view of the fact that Sears, Roebuck & Co. of Chicago, the big mail order house, is putting the Hercules Life into the field, taking over the National Life, U. S. A., that failed. The following information regarding the T. Eaton Life is of interest:

## Group on Employees First

The T. Eaton Life Assurance Company obtained a Dominion license in 1920 and the first business it transacted was by way of group insurance on its employees. The company bore the full cost of this group insurance, with the usual result, viz: the employees do not appreciate the benefit. It came to the conclusion that the gift was of little account. The group insurance was therefore dropped in 1922.

At the same time that group insurance was placed on the employees, the store introduced regular insurance plans and agreed to pay 10 percent of the premiums on the non-participating section. Its company offers also participating policies but almost the whole of the business which has been written has been on the non-participating basis, principally due to the fact that it pays 10 percent of the premium on the non-participating plan.

## Business Comes from Two Sources

The business is secured from two sources. The company employs agents who interview only the store's employees, while the remainder of the business is obtained by means of its catalogue. About 1,500,000 catalogues are sent out in February of each year. The catalogue contains a blank form for those interested in life insurance and in addition a large advertising illustration. Only 10 percent of the business written to date has been secured through the medium

of the catalogue, the other 90 percent being on employees.

With the advent of the depression the catalogue business fell off, becoming of less amount each year, with the result that the catalogues being sent out in February of this year will not contain the insurance feature. The company expects that, with improved conditions in rural communities, it will again solicit insurance through the catalogue. It was felt that the amount of business secured during the last two years had not justified the expense of the advertising in the catalogue.

## Mortality Experience

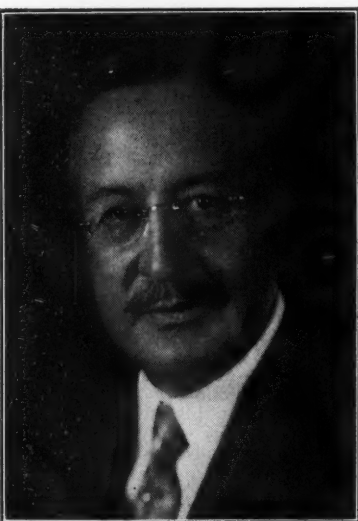
The company's mortality experience last year was about 50 percent of the O (m) Select or 70 percent of the C M (6). The mortality experience on the catalogue section has been a little higher than that on the employees. The business in force at the end of 1932 was \$26,200,000, while at the end of 1933 it was \$25,500,000. The business issued in 1933 was \$2,250,000.

The business issued in 1932 was \$2,640,000 so that of 1933 compares very favorably with the previous year when one takes into account that there were quite substantial reductions in the salaries of the employees in the departmental store.

The company accepts on the non-medical basis policies up to \$3,000 both for employees and for the catalogue business. In the case of the catalogue business, the application form asks for the name of a resident doctor who might be used for an examination if asked for. On all catalogue business the company obtains an inspection report.

When referring to the company paying 10 percent of the premiums on the non-participating business, it should be said that it is only in the case of its own employees that this is done. The non-participating rates are about the average of those of the Canadian companies.

## Talks on Finance



F. H. ECKER

## Hercules Life Confers With National Life, U.S.A., Agents

### DEBATE TERMS OF CONTRACT

#### Illinois Approves Reinsurance Deal; Low Cost Arrangement May Be Important Factor

Conferences between officials of the new Hercules Life of Chicago, which is reinsuring the National Life, U. S. A., and agents of the latter company, with a view to their remaining to conserve their business and possibly write policies in the Hercules, were started this week.

As yet, the Hercules' management says, decision has not been made on the question whether agents will be granted contracts entitling them to renewals for conservation work alone, or whether there will be a requirement that they also write Hercules Life insurance. The officials declined to disclose details of the agency contract which is proposed. This may be made known next week.

#### Calling in Agents

The agents are being called in separately for conference, according to Carl L. Odell, vice-president and general manager, who said their reaction has been good. Most of them were gratified that reinsurance negotiations were not strung out as in some other company failures.

The Illinois department approved the Hercules Life-National Life, U. S. A., deal and formalities of assumption of the business took place Monday. In due season the Hercules will move the National Life, U. S. A., office bag and baggage out to the Sears, Roebuck & Co., plant on the west side where its overhead will be much less. In fact, it is stated that the Hercules Life will be charged \$200 a month rent and with the calculating machinery and other facilities of Sears, Roebuck & Co. that can be utilized at any time, it will be able to cut down its expense to the lowest possible point.

#### Expense Ratio Vital Factor

This is a matter that other companies are studying with great interest. If Sears, Roebuck & Co. are able to squeeze down the expense ratio to a point where the Hercules Life can afford to sell insurance at less cost than the regular companies, it may be able to make a dent in the business.

The general impression is that the Hercules Life will operate along three different lines. First, it will have the Sears, Roebuck & Co. catalogue, which goes to hundreds of thousands of people, and being a great merchandising mail order house it appreciates the most effective way to present its wares. Next, it is taken for granted that the Hercules Life will have its policies sold through Sears, Roebuck & Co. retail stores. In the third place, it will take over such agents of the National Life, U. S. A., as it can and will probably augment that list so that it will be a factor in the agency field.

Almost all companies are studying very carefully the expense proposition these days and are cutting down wherever possible. Life men are still not convinced that policies can be successfully sold by a mail order house through a catalogue or in a store.

#### May Place Large Volume

An interesting consideration is that Sears, Roebuck & Co. should be able in short order to put much new business on the books of the Hercules Life on the lives of Sears, Roebuck employees. The mail order house has about 40,000 employees and if they were to buy on the average a \$1,000 policy on the salary savings plan, there would be an initial volume of \$40,000,000. However, the

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## New Superintendent for District of Columbia

WASHINGTON, Feb. 15.—John A. Marshall of Washington, for a number of years eastern sales manager for the National Union Assurance, the Toledo, O., fraternal, and for the past 18 months sales instructor for the Ancient Order of United Workmen, is named superintendent of insurance for the District of Columbia to succeed Herbert L. Davis. Mr. Marshall is 50 years of age, a native of Maryland, and a world war veteran. Mr. Davis, a veteran in the District government service, has been transferred by the District commissioners to be a member of the board of assistant assessors.

## C. H. Graff Is Named Acting Pennsylvania Commissioner

Charles H. Graff, who has been deputy commissioner in Pennsylvania and has handled the affairs of the department during the illness of Commissioner Armstrong, who died recently, has been appointed acting commissioner by Governor Pinchot. Mr. Graff was at one time vice-president of the Atlantic Safe Deposit & Trust Co. of Atlantic City.

#### Utter Shows Good Gain

An increase of 12 percent in paid business in January is reported by A. C. Utter, Detroit general agent New England Mutual Life. Part of this increase is credited to the newly established system of requiring weekly reports of interviews from the agency force, says Mr. Utter.

# Annual Statements Show Status of the Companies

Assets of the New York Life passed the two billion dollar mark in 1933, and totaled \$2,010,943,112 at the year-end, President Thomas A. Buckner announces. The company met every obligation during the year from its current cash income, made new investments amounting to \$92,900,000, and closed the year with more assets than at any other year-end in its history.

Payments to policyholders of \$255,977,483 also set a new high record. Of this total, \$70,190,268 was paid to beneficiaries and \$185,787,214 was disbursed to living policyholders and annuitants. During the past four years the New York Life has paid \$940,016,708 to policyholders, in addition to making many policy loans.

The total amount of dividends paid since organization passed the billion dollar mark in 1933. Dividends have been paid annually since 1847, and a reserve of \$48,038,244 has been set aside for apportionment of dividends during 1934, a sum sufficient to provide the same regular annual dividend on each policy as was paid in 1933, except on term policies.

The company has voluntarily set up two special contingency reserves. One, amounting to \$21,014,507, is sufficient to cover the difference between Dec. 31, 1933, market and convention values for all stocks, and for bonds in default, bonds of companies in receivership, and bonds which for any reason are not carried in assets at amortized value. The other reserve, amounting to \$7,500,000, is for deferred mortgage interest collections. The reserve for 1934 taxes amounts to \$4,644,694.

Surplus amounted to \$114,291,791.

On Dec. 31, it held cash \$30,943,412,

and United States government bonds \$98,164,000.

Of total assets of \$2,010,943,112, 12.58 percent was invested in United States government bonds and the bonds of states, counties and municipalities in the United States; 24.63 percent in city mortgages; 26.53 percent in railroad, public utility, industrial, and miscellaneous bonds. Farm mortgages aggregated only .86 percent of total assets; and real estate owned, including the home office building, amounted to 3.60 percent.

Total income during 1933 was \$393,575,381. New paid for insurance amounted to \$378,669,800, and considerations received for immediate annuities aggregated \$20,662,386. Outstanding insurance in force on Dec. 31, was \$6,869,768,000.

#### JOHN HANCOCK MUTUAL

Assets of \$655,664,368 are reported by President Walton L. Crocker of the John Hancock Mutual. Cash amounted to \$15,000,000, United States securities \$20,406,584 and short term obligations of other governmental bodies in this country amounted to \$9,000,000.

Mr. Crocker said the need for extreme liquidity seems now to have been decreased and pursuit of a more normal program of investment is being resumed.

Policy reserves amount to \$546,151,593, dividends for 1934, \$16,054,788, special contingency reserve \$15,000,000 and other surplus funds \$44,153,600.

Insurance in force amounted to \$3,411,708,382. New paid for insurance amounted to over \$633,000,000. Payments to policyholders were \$98,395,157.

#### AETNA LIFE

President M. B. Brainard of the Aetna Life told stockholders at the annual meeting that dividends would be resumed at the earliest possible date when it would be wise to do so. "When that day will arrive," he said, "cannot be stated at this time." Omission of dividends in 1932 was the only reasonable course to pursue because surplus was dwindling fast due to unprecedented decline in security values.

Mr. Brainard said the farm mortgage situation has been considerably improved. The farms owned by the Aetna Life are valued at \$17,000,000, which is not out of line in view of the fact that the Aetna's peak investment in farm loans was \$102,000,000. Although it is not the policy of the company to sell farms, in the past five years it has disposed of 275 such properties, with a book value of \$1,204,000 for \$1,213,000. In selling these farms the company received more than \$374,000 in cash.

The handsome home office building is carried at \$9,246,000 and is being depreciated at the legal rate of 1½ percent a year.

The ratio of expense to premiums was 15.6 percent last year compared with 19.4 percent in 1929. Interest earned was 4.29 percent compared with 4.52 percent in 1932. Mortality rate was 77.78 as compared with 81.05.

New business in 1933 was \$366,000,000 against \$341,000,000. Revivals gained 12 percent.

#### SUN LIFE OF CANADA

Assets of more than \$624,000,000 are reported by the Sun Life of Canada. Cash amounts to more than \$18,000,000 and bond holdings have been increased materially.

Total income of \$152,000,000 exceeded disbursements by more than \$24,000,000. New insurance paid for was over \$216,000,000 and insurance in force amounted to \$2,750,000,000.

Expenses were substantially reduced.

(CONTINUED ON PAGE 12)

## THE ONE MAN

Some columnists, stage and radio comedians, and ignorant or flippant laymen delight to include the life insurance Agent among public nuisances. The paid funsters do it as part of their trade, the others either to be "smart" or seemingly wise. Sometimes it is necessary for the underwriter to meet and combat this attitude. A brief, concrete "human interest" story is apt to be the most effective answer—here is one from an actual case:—

The Agent had seen him two or three times. At length secured an appointment. The hour came, and the Agent entered his office. Found him in bad humor, and had a rough reception. "No time to talk to any life insurance Agent this morning. My desk piled up. Besides, I haven't any money to pay life insurance premiums." Agent quietly said, "I will call when you are not so busy." Went to the door, turned, and then this:—"The time may come when a 'life insurance Agent' would be the very first person your wife might want to see." Looked hard into each other's eyes. Then, "You win—come and sit down."

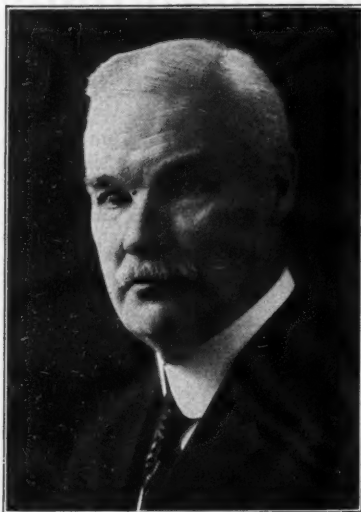
## THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

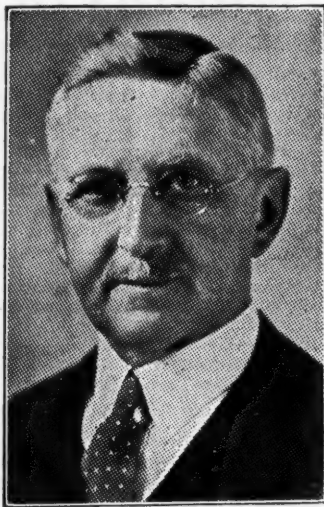
Independence Square

Philadelphia

## New President for Sun Life



T. B. MACAULAY



ARTHUR B. WOOD

T. B. Macaulay, at the annual meeting of the Sun Life of Canada in Montreal, announced his retirement from the presidency. The board subsequently elected Mr. Macaulay chairman of the board and elevated Arthur B. Wood from vice-president to the presidency.

E. A. MacNutt, treasurer, was elected a director, replacing J. C. Torey of Halifax. Mr. MacNutt was also elected a vice-president.

Mr. Wood joined the Sun Life's actuarial department after graduating from McGill university. In 1900 he was appointed assistant actuary and in 1908 was made chief actuary. He was named vice-president and actuary in 1923 and in 1932 vice-president and managing di-

rector. He continues to hold the title of managing director as well as president. Mr. Wood was president of the Actuarial Society of America for two terms.

Mr. Macaulay has been connected with the Sun Life since 1877. He became actuary in 1880, secretary in 1889, director in 1896, managing director in 1908 and succeeded his father, Robert Macaulay, as president in 1915.

The change was not unexpected to those in touch with the Sun Life, since Mr. Macaulay for some time has been gradually relinquishing administrative responsibility and Mr. Wood has been assuming more of it, during the last year carrying the bulk of the load.

## GENERAL AGENCY OPPORTUNITY CHICAGO TERRITORY

### ● Old Line Eastern Life Insurance Company

### ● Agency now twenty years old

- guaranteed income, over-riding, commissions and expenses
- a very desirable opportunity for an ambitious and experienced man who can qualify
- applicant must have had Chicago life insurance experience

### • reply by letter at once to

**Y-23**

The National Underwriter, A-1946 Insurance Exchange, Chicago, Illinois; giving age, complete personal and life insurance information in detail

### ● AGENCY EXECUTIVE WILL BE IN CHICAGO DURING WEEK OF FEBRUARY 26 FOR INTERVIEWS

## Leaders of Union Central in 1933 Hold Convention

### KNIGHT AGENCY WINS CUP

### Agents and Managers Gather in Miami Beach with Large Home Office Delegation

Leading producers of the Union Central who qualified for the Half-Million Dollar club, met in convention at Miami Beach, Fla., 33 agents and managers being present. The program was built around the theme, "1934—a Union Central Year." New members were presented gold keys by Vice-president Jerome Clark. Loving cups were awarded four agents and a manager as second-year members, six agents and a manager as third-year members and ten agents and three managers as four-year or charter members. Those who have qualified for four consecutive years include Manager C. B. Knight and Assistant Manager W. E. Barton, New York, and Manager J. P. Devine, Cincinnati.

### Knight Agency Wins Cup

The Knight agency of New York was awarded a loving cup for largest number of qualifiers, six in attendance. It has won the cup every year since formation of the Half-Million Dollar club. Herman Stark, New York, and Slane Stump, Los Angeles, leading producers in 1933, won the presidency and vice-presidency respectively of the club.

Speakers representing the home office were J. W. Pattison, chairman of the board and vice-president; Vice-president Clark, Dr. William Muhlberg, vice-president and medical director; W. F. Hanselman, superintendent of agencies, and J. W. Rivers, assistant superintendent of agencies.

Topics in round-table discussion included experiences, prospecting plans, and the success of specially prepared sales ideas.

### Public Confidence Stronger

D. H. Ward, New York, spoke on "1934—My Viewpoint," reviewing experiences by life companies in 1933. He said the confidence of the average man in life insurance is stronger than ever. He is ready to put a greater proportion of his savings into life insurance, to consider it as an investment as well as savings.

"How I Am Organizing My Prospecting for 1934," was discussed by several leading producers. Sales ideas taken from 1933 experiences were described by other agents. W. B. Monroe of the Smith agency of New Orleans spoke on "What They Will Buy in 1934." He said price appeal is especially effective with millions of policyholders and prospects.

### Prizes of \$10,000 to Agents of Guarantee Mutual Life

Cash prizes totaling \$10,000 will be distributed by the Guarantee Mutual Life to agents each quarter this year as well as at the finish, covering the entire year's operations. Forty prizes ranging from \$125 down to \$10 will be awarded each quarter under a point system which has been devised. Then there will be 40 prizes at the end of the year ranging from \$500 down to \$40.

Positive credits are: New business, persistency 1933 business, reinstatement, service calls on policyholders, consecutive weekly production, conversions, additional insurance on policyholders, largest average sized policies, for securing new salesmen.

Debits are: Excessive lapse, withdrawals, cancellations, rejections, errors in applications, and failure to answer correspondence promptly.

## Life Sales Total Soars in January, Many Report

January paid business of the Lincoln National Life increased 43.4 percent. This increase is the largest, excluding group insurance transactions, experienced by the company since 1929.

The American Life's drive for \$500,000 of new business from Michigan agents in January closed with a volume of \$497,000, an increase of nearly 300 percent over January, 1933.

The Pacific Mutual Life in January increased its new written life business 136 percent. An increase of 311 percent was shown on annual premium annuities, and a gain on single premium annuities of 312 percent. The number of individual sales increased 50 percent. In the accident department increases in production were made on commercial accident business, as well as on non-cancellable disability income plans. Annuity sales in January were the largest for a single month in the history of the company.

In a "dawn to darkness" one day drive the home office agency of Bankers Life of Des Moines wrote \$137,000 in business, 21 agents taking part. The leading producer was W. B. Mahaffa, Rockwell City, who closed 10 applications for \$25,000. The home agency also led all other agencies of the company in January in cash collected on first-year premiums with an increase of 89 percent.

The American Life of Alabama wrote \$494,826 life insurance in the first five weeks of 1934 compared with \$243,337 for the same period last year. At the end of 1933 the company had \$7,555,211 in ordinary business on the books compared with \$7,311,800 at the end of 1932.

The M. L. Woodward general agency of the Northwestern Mutual Life in Detroit reports a 30 percent increase in paid business in January, showing an increase for the fourth consecutive month. The new family income and women's contracts helped to build up the total.

Production records for four years past were broken in January with a 96 percent increase by the Illinois Bankers Life of Monmouth, Ill. Every month since last June has shown an increase in business written, not only over the corresponding month of the previous year, but over the four years preceding. The 1933 production totalled \$7,130,000, an increase of 34 percent over 1932.

During the agency meeting of the Bankers Life of Nebraska, the field men sprung a surprise by filing \$384,000 of new business. For the first six weeks of the year the increase in new business has been 76 percent.

Cherry & Cherry, Texas general agents for the Bankers Life of Iowa, showed a 200 percent increase in written business in January.

January new business written by the Midland Mutual Life increased 49 percent. Approximately the same percentage of increase was made in the first 12 days of February.

E. J. Burkley, St. Louis manager of the Phoenix Mutual Life, reports a 100 percent increase in January in new business written.

The Business Men's Assurance paid-business increased 40 percent in January. Every branch of the company but one showed an increase.

The Great American Life of Texas reports a 22 percent increase in paid business in January.


**25<sup>TH</sup>**  
 ANNIVERSARY

1909-1934

***"We Have Safely Served Our Policyholders  
24 Years . . . . and Present This Statement  
as Evidence of Our Security and Progress"***

**Financial Statement**
**Great Southern Life Insurance Company**

December 31, 1933

**ADMITTED ASSETS**

Cash in Banks	\$ 1,338,645.71
Subject to Check	
First Mortgage Loans	18,021,691.41
Secured by first liens on real estate worth more than twice the amount loaned	
Real Estate	4,393,899.15
Improved and revenue bearing	
Municipal Bonds and Collateral Loans	2,604,287.17
Policy Loans and Premium Notes	13,263,963.31
Within the reserve	
Interest due and accrued	796,640.51
Net Premiums in process of collection	1,093,256.96
Secured by legal reserve	
Total Admitted Assets	\$41,512,384.22

**LIABILITIES**

Legal Reserve for Protection of Policyholders as required by law, invested in approved assets	\$35,682,701.70
Death Claims due and unpaid	NONE
Claims reported but proofs not received	194,835.67
Reserve for Interest and Premiums Paid in Advance	438,119.00
Reserve for Taxes	124,775.00
Accrued Commissions and Accounts	68,480.33
Borrowed Money	NONE
Surplus protection to policyholders in addition to legal requirements:	
Fully paid Capital	\$3,000,000.00
Fixed surplus	1,000,000.00
Unassigned surplus and profits	1,003,472.52
Total	\$41,512,384.22

*E. P. Greenwood*  
 PRESIDENT

**1933 A Successful Year**

The accompanying statement was compiled AFTER our books were closed, December 31, 1933. It is the true and accurate financial condition of this Company, at the close of last year's business.

During 1933, our Company paid all of its taxes amounting to considerably more than \$100,000.00; advanced more than \$300,000.00 on first mortgage loans for the payment of city, county and state taxes; took care of all operations; met every claim; has already paid the customary January dividend and increased the surplus by \$200,000.00, bringing the total surplus up to more than \$2,000,000.00 which, together with the \$3,000,000.00 fully paid capital creates a surplus protection to policyholders which exceeds legal requirements by more than \$5,000,000.00.

In addition, the Company does not today owe one borrowed dollar and has cash in banks of nearly a million and a half dollars.

**OFFICERS**

E. P. GREENWOOD	President
L. S. ADAMS	Vice-President and Treasurer
F. W. GRIFFIN	Vice-President and Manager of Agencies
J. C. CAMERON	Vice-President and Actuary
DR. J. E. DANIEL	Medical Director
W. S. HORNE	Secretary and Assistant Treasurer
A. C. NICHOLSON	Investment Department
VINSON, ELKINS, SWEETON & WEEMS	General Counsel

**DIRECTORS**

L. S. ADAMS, Vice-President and Treasurer	Houston
J. C. CAMERON, Vice-President and Actuary	Houston
CHARLES COBB, Jr., Capitalist	Marshall
DR. J. E. DANIEL, Medical Director	Houston
J. A. ELKINS, Attorney	Houston
E. P. GREENWOOD, President	Dallas
F. W. GRIFFIN, Vice-President and Manager Agencies	Houston
ALLEN C. HUCKLEBERRY, Oil Operator	Oklahoma City
JOHN T. SCOTT, Chairman of the Board, First National Bank	Houston
C. A. SWEETON, Attorney	Houston
W. A. VINSON, Attorney	Houston

**Great Southern Life Insurance Company**  
 HOUSTON, TEXAS

## FIGURES FROM DECEMBER 31, 1933 STATEMENTS

	Total Assets	Inc. in Assets	Surplus	Sec. Fluc. Res.	New Bus. 1933	Ins. in Force Dec. 31, 1933	Change in Ins. In Force	Prem. Income 1933	Total Income 1933	Benefits Paid 1933	Total Disburse. 1933
Amer. Thrift, Neb....	1,223,868	238,601	109,411	10,000	172,239	1,888,014	252,424	366,066	414,539	89,834	178,353
Baltimore Life .....	14,456,414	—118,491	2,135,654	300,000	42,827,905	86,281,187	2,533,339	2,685,719	3,509,793	1,931,341	3,569,865
Beacon Life, Okla....	294,369	11,446	243,151	.....	1,189,331	5,014,985	434,356	52,598	66,928	21,690	83,078
Business Men's Assur.	10,055,040	619,078	1,279,897	.....	26,491,578	94,433,476	387,594	12,308,509	12,894,641	11,036,721	11,966,054
Conserv. Life, W. Va.	6,104,135	—309,571	738,323	.....	5,326,000	29,715,446	—3,817,000	856,603	1,186,039	927,418	1,446,810
Colonial Life, N. J....	17,799,830	66,558	850,655	20,000	54,676,369	108,114,894	—6,063,981	4,370,313	5,227,295	2,648,448	5,060,906
Farm. & Bank, Kan.	10,563,643	—495,254	375,000	100,000	7,488,432	51,047,089	—4,125,275	1,302,722	1,953,401	1,403,690	2,244,730
Life of Virginia.....	75,385,171	977,937	5,637,805	4,000,000	92,871,332	377,283,939	3,005,143	11,774,534	15,413,387	8,492,513	14,768,134
Northwestern M. Life	993,295,363	2,291,396	.....	.....	191,002,509	3,813,844,834	—184,673,227	119,659,293	183,711,009	144,958,866	175,098,344
Oregon Mutual Life...	12,052,785	114,127	890,062	50,000	4,743,526	51,901,281	—2,415,466	1,761,975	2,596,398	1,704,475	2,445,545
Pacific Mutual Life....	198,207,143	4,293,239	11,150,421	.....	42,766,838	654,584,643	—51,671,835	24,012,652	35,390,923	23,717,619	32,040,385
Prov. Mutual Life.....	268,225,112	6,837,184	.....	.....	71,517,223	954,411,343	—43,923,231	36,080,218	51,827,211	35,006,166	44,905,227
Standard Life, Pa....	5,462,128	—169,067	463,672	29,293	1,656,785	20,141,527	—2,075,974	549,078	833,492	683,464	964,990
State Farm Life, Ill...	960,815	154,791	443,260	21,000	6,840,837	17,255,138	4,116,578	356,825	418,254	102,498	305,465
United Benefit Life...	2,365,881	381,441	500,000	14,318	23,503,530	54,446,038	—3,719,273	1,213,943	1,365,791	321,363	964,327
Webster Life, Ia.....	37,466	5,112	287	.....	281,827	736,953	18,260	14,325	29,844	4,101	19,740

\*Special contingency reserve and unassigned funds, \$58,239,737.

†General contingency reserve \$18,308,093; special contingency reserves \$1,575,257. †Life only.

### St. Louis Actuaries Meet

Maurice E. Benson, attorney for the American Life Convention, and D. B. Warren of the actuarial staff of the General American Life addressed the Actuarial Club of St. Louis. Mr. Benson discussed the recent special session

of the Missouri legislature, which passed a number of bills to strengthen insurance supervision, while Mr. Warren spoke on the savings bank system in Massachusetts. There was a general discussion of other subjects of interest. O. H. Jekel, Reliable Life & Accident, is president of the club.

### Joins Presidents' Body

The Fidelity Mutual Life has been elected to membership in the Association of Life Insurance Presidents. It is one of the important eastern companies that heretofore has been outside of that organization.

## Sees Twisting as Hurting All Including the Twister

### C. V. ANDERSON GIVES VIEWS

Addresses New York City Association; "Millionaire" Burns in Talk on Programming

NEW YORK, Feb. 15.—Just as the man whose home has been foreclosed is soured on any "own your home" idea, so does the policyholder whose contract has been twisted tend to become distrustful of life insurance, C. V. Anderson, president National Association of Life Underwriters, declared at the February meeting of the New York City Life Underwriters Association. Twisting not only damages the policyholder but the entire business, including the agent who does the twisting, he said.

He regarded it as inconsistent that anyone would think of replacing a \$10,000 policy with a \$2,000 loan against it, when, if the loan were owed to a bank the agent would not think of replacing the insurance to pay off the bank loan but would try to cover the man for additional insurance to cover the loan. Mr. Anderson's talk dealt principally with the use of the will idea in formulating insurance programs.

The other speaker, W. H. Burns, an independent million dollar producer of Philadelphia, said that the largest or smallest insurance program, except for business insurance or bequests, consisted of (1) clean-up (2) backlog, and (3) investment.

On his first call Mr. Burns makes no attempt to sell but collects data on which to submit his plan, making it clear to his prospect that he is not selling insurance but selling a plan for stabilizing the estate and economically distributing the life insurance.

In order to sell the larger cases it is necessary to talk in terms of income, he said, and since life insurance is designed to replace income it always should be expressed in those terms. What agents need to do is to "gear ourselves up to our mental capacity—and keep the three essential needs in mind."

### Promotions by Aetna Life

Three Men of the Staff Are Given Recognition on Account of Good Work

HARTFORD, Feb. 15.—The Aetna Life has elected Murray Waters, manager mortgage loan department, to be assistant vice-president; Ralph Keffer, assistant actuary, to be associate actuary; and F. C. Perkins, superintendent group pension department, to be assistant actuary. Mr. Waters came to the Aetna Life last April from Minneapolis, where he was vice-president of Thorpe Bros. and treasurer of M. R. Waters & Sons. Mr. Keffer joined the company in Pennsylvania and came to the home office in 1919. Mr. Perkins came to the Aetna Life in 1925.

### Fine for Kentucky Agent of National Aid Society

J. R. Riley, charged with violating Kentucky insurance laws, pleaded guilty in the McLean county court at Calhoun, Ky., and was fined \$50 and costs, the minimum penalty. Riley, according to the evidence produced by Mrs. Elizabeth Lyon, field representative of the Kentucky department, wrote two policies for \$800 each for Ermine Hall, deceased. When he died last September the National Aid Society of Springfield, Ill., through Riley refused to pay the claims. It was found that the aid society is not licensed in Kentucky, and that Riley is not licensed as an agent for it.

## Pacific Mutual Presents Its 66th Annual Statement

DECEMBER 31, 1933

### ASSETS

Loans on Real Estate.....	\$ 88,702,209.36
Loans on Approved Collateral..	5,904,776.72
Loans to Policyholders.....	40,573,690.16
Bonds .....	36,247,302.14
Stocks .....	2,840,189.72
(Prof. \$2,337,915.83, Com. \$502,273.89)	
Real Estate .....	12,174,867.82
(Includes Home Office Bldg., \$8,928,596.09)	
Interest Due and Accrued.....	2,866,655.36
Outstanding and Deferred Premiums—	
Life Department .....	3,564,771.85
Accident Department .....	682,475.17
Cash on Hand .....	4,091,559.72
Other Assets .....	558,645.03

### TOTAL ADMITTED

ASSETS\* .....\$198,207,143.05

### LIABILITIES

Reserves on Policies .....	\$166,226,590.96
Reserves for Claims Approved Payable in Instalments ....	12,409,589.00
Claims Awaiting Proofs .....	2,070,897.00
Premiums and Interest Paid in Advance .....	1,350,226.73
Reserved for Taxes Payable 1934	917,225.00
All Other Liabilities.....	445,760.84
Total Liabilities .....	\$183,420,289.53

Capital Stock .....	5,082,000.00
Surplus Set Aside for Future Dividends to Policyholders..	1,294,212.47
Surplus Unassigned .....	6,068,421.66
Reserve for Contingencies .....	2,342,219.39

TOTAL .....\$198,207,143.05

### RESULTS FOR 1933—SIXTY-SIXTH YEAR

Gain in Admitted Assets .....	\$ 4,293,238.83
Total Cash Income .....	43,960,833.66
Accident Premium Income .....	5,510,056.14
Total Life Insurance in Force .....	654,584,643.00
New Life Insurance Issued (Paid-for Basis).....	45,291,269.00
Total Paid Policyholders .....	28,280,581.00
Grand Total Paid Policyholders since Organization	287,747,558.58
Capital, Surplus (Assigned and Unassigned) and Reserve for Contingencies .....	14,786,853.52
Average Rate of Interest Earned .....	5.47%
Death Rate, Actual to Expected .....	59.1%

\*Computed on basis authorized by National Convention of State Insurance Commissioners.

The  
**Pacific Mutual Life**  
Insurance Company OF CALIFORNIA

GEORGE I. COCHRAN, PRESIDENT

HOME OFFICE, LOS ANGELES, CALIFORNIA

## Hands and Ayres Declare No Plan of Merger Is Up

### DENY STORY ABOUT THE R.F.C.

**Detroit Company Officials Say They  
Are Not Concerned with Scheme  
to Combine**

DETROIT, MICH., Feb. 15.—L. T. Hands, vice-president and general manager of the Michigan Life, speaking of the articles appearing in some of the papers regarding proposed merger of four life companies located in Detroit says no plan of merger has been submitted to nor is under consideration by the Michigan Life nor does there appear to be any justification for any such story to have been published. The Michigan Life, he says, has a small loan with the RFC less than 7 percent of its total assets.

"The RFC does not own nor have pledged with it a single share of our stock," said Mr. Hands. "We have met all our legal obligations and are financed to continue to meet them. We consider the publication of the article inconside-

#### President Ayres' Statement

Statements in some insurance papers to the effect that the R. F. C. submitted a merger agreement to the executives of the four Detroit life companies several weeks ago are without foundation in fact, says Clarence L. Ayres, president of the American Life. No written proposal has been submitted; the matter of an alliance between these companies was discussed informally.

"It is true as stated in the articles that the Reconstruction Finance Corporation owns practically all of the stock of one of the Detroit life insurance companies, but not one single share of American Life stock. No agreement for reinsurance has been made in that connection," says Mr. Ayres.

"During the four years of the depression, 1930, 1931, 1932 and 1933, the American Life disbursed in cash to its policyholders to relieve distress over \$9,250,000. To do this creditable job the company borrowed during this period slightly over \$1,000,000 from the Reconstruction Finance Corporation, only slightly over 10 percent of this disbursement, the other nearly 90 percent being paid to these policyholders out of its own resources independent of borrowings. The American Life is now by way of rapidly repaying this loan to the R. F. C. and it is the belief of our board of directors that the entire matter will be liquidated in the very near future."

## American Life Convention Announces Committeemen

The American Life Convention has appointed a number of standing committees, the chairmen being as follows: Accidental death, W. T. Grant, president Business Men's Assurance; Actuarial, Henry W. Buttolph, secretary American Central Life; Agents and Agencies, E. B. Stevenson, vice-president National Life & Accident, Nashville, Tenn.; Annual Meeting, N. J. Frey, president Wisconsin Life; Blanks, George Graham, president Central States Life; Credentials, A. R. Wilson, president Amicable Life, Waco, Tex.; Emergency Legislation, U. S. Brandt, president Ohio State Life; Grievances, W. W. Putney, president Midwest Life of Lincoln, Neb.; Investments, W. R. Wills, president National Life & Accident; Medical Examination, W. E. Thornton, medical director Lincoln National Life; Membership, G. W. Steinman, president Midland Mutual Life;

Mortgage Loan, R. T. Byers, vice-president American Central Life; Municipal Bond, Harry C. Wade, assistant to the president United Mutual Life of Indianapolis; Program, G. S. Nollen, president Bankers Life, Des Moines; Public Relations, Arthur F. Hall, president Lincoln National Life; Resolutions, R. F. Fry, president Old Line Life, Milwaukee; Under-Average Lives, W. F. Poorman, actuary Central Life, Des Moines; Uniform Laws, L. F. Lee, president Occidental Life, Raleigh, N. C.

The New York Fraternal Congress held its annual meeting in New York City.

## A. M. Best Company Not to Discontinue Ratings

One of the competitors of the A. M. Best Company has been circulating the rumor that Best will not continue his rating of companies as was done in the last reports. Raymond T. Smith of Chicago, western vice-president, in speaking for the A. M. Best Company said: "There is not a scintilla of truth in the report that the A. M. Best Company intends to discontinue its ratings. We are perfectly satisfied with the formula

that was established and find that it gave accurate and just results. During the year many companies have improved their financial situation. Officials have been resourceful and intelligent in handling their problems so that we predict that in our forthcoming reports, ratings of numerous companies will be improved. There has been an ambition on part of all companies to achieve the highest rating and this has had its effect."

M. A. Brooks, agent of the Washington National of Chicago, has been made field superintendent in the Kansas City district.

# "FULFILLMENT OF ITS OBLIGATIONS"

IN COMPLETING on February 1, 1934, its 91st year of Service and Security, The Mutual Life Insurance Company of New York has again attained the great objective set up by its organizers:—

*"that it shall have unquestionable ability to fulfill its engagements and to meet its obligations whenever falling due."*

During 1933 The Mutual Life fulfilled its obligations to policyholders and their beneficiaries

first, by payment to them of \$191,823,199, THE LARGEST AMOUNT IN ANY YEAR OF ITS HISTORY

second, by maintaining its Fund for Depreciation of Securities and General Contingencies at over \$59,144,436

third, by ending the year with CASH ON HAND of \$32,157,883, an increase over the end of the preceding year of \$16,436,632.

In addition, from its Gains in Operations, it set aside \$29,249,944 for Dividends to Policyholders in 1934.

### Balance Sheet, December 31, 1933

ASSETS		LIABILITIES	
Real Estate (at cost or less)	\$ 30,465,017	Policy Reserves	\$99,245,677
Mortgage Loans (at cost)	285,888,468	Supplementary Contract Reserves	32,744,907
Policy Loans	201,366,140	Other Policy Liabilities	20,770,877
United States		Premiums, Interest, and Rents paid in advance	2,765,748
Government Bonds	54,549,068	Miscellaneous Liabilities	4,578,540
Other Bonds	460,393,959	Reserve for Taxes	3,288,774
Preferred and Guaranteed Stocks	18,628,150	Dividends payable in 1934	29,249,944
Interest and Rents due and accrued	18,506,816	Reserve for Future Deferred Dividends	251,481
Premiums in course of collection	17,864,799	Special Contingency Reserve	7,815,342
Cash	32,157,883	Fund for Depreciation of Securities and General Contingencies	59,144,436
Cash advanced to pay claims	35,426		
Total Admitted Assets	\$1,119,855,726	Total Liabilities	\$1,119,855,726

In this statement bonds not subject to amortization and all preferred and guaranteed stocks are at values recommended by National Convention of Insurance Commissioners.

You should be acquainted with life insurance and its historical background in America. Send for "THE RECORD OF 91 YEARS" for your library. A limited edition available without charge.

# The Mutual Life Insurance Company of New York

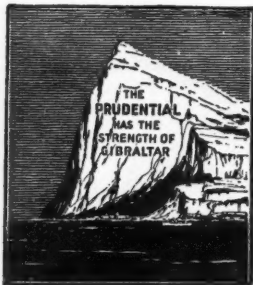
DAVID F. HOUSTON President  
34 Nassau Street New York

## Millions of Help Money

When The Prudential paid over 352,000 claims during 1933, it was in the great majority of cases carrying out the mandate of thoughtful and unselfish men and women who had acquired this protection for others.

Thousands of families were benefitted thereby, as well as many individuals. Homes were saved, children kept in school, distress prevented.

Life Insurance justifies itself every time a claim is paid.



### The Prudential Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

### THE HOME LIFE INSURANCE COMPANY OF AMERICA

#### PROTECTS THE ENTIRE FAMILY

Home Life agents are equipped to serve every need for life insurance. Modern policies are issued, on both Industrial and Ordinary plans, from birth to 65 next birthday.

#### A POLICY FOR EVERY PURSE AND PURPOSE

Basil S. Walsh  
PRESIDENT

Joseph L. Durkin  
SECRETARY

John J. Gallagher  
TREASURER

Independence Square

Philadelphia, Penna.

## New Annuity Tax Method Weighed

(CONTINUED FROM PAGE 3)

exempt from taxation under paragraph (1) or this paragraph."

It was explained by the committee that "The present law does not tax annuities arising under contracts until the annuitant has received an aggregate amount of payments equal to the total amount paid for the annuity. Payments to annuitants are, in fact, based upon mortality tables which purport to reflect a rate of return sufficient to enable the annuitant to recover his cost and in addition thereto a low rate of return on his investment. The change continues the policy of permitting the annuitant to recoup his original cost tax-free but requires him to include in his gross income a portion of the annual payments in an amount equal to three percent of the cost of the annuity. While the percent used is arbitrary, it approximates the rate of return in the average annuity.

"Statistics show that an increasing amount of capital is going into the purchase of annuities, with the result that income taxes are postponed indefinitely. The change merely places the return of this form of investment on the same basis as other forms of investment by taxing that portion of each payment which in fact constitutes income."

## Commissioners in Code Resolution

(CONTINUED FROM PAGE 3)

Dec. 26, and had received a copy of the code prepared by the Association of Casualty and Surety Executives and of that to be offered General Johnson shortly by the National Board of Fire Underwriters.

The only detailed proposed code before the NRA is that offered by the National Association of Insurance Agents. A date for a hearing upon it has not yet been set by General Johnson.

While the commissioners until now took no action with respect to insurance codes or offered public comment in such connection, they by no means lacked interest, a number having written the agents' association asking to be furnished copies of the proposals as soon as prepared. The business appreciated that sooner or later the state officials would take a hand, realizing that through the adoption of a code country-wide in its application, conflict, or at least confusion, between federal and state authorities would probably result.

So far as the agents' proposed code is concerned the commissioners felt that a number of its provisions were highly controversial, and maintained that as impartial bodies, having no selfish concern either as to the companies or the business producers, but interested primarily in safeguarding the rights of policyholders, they were in strong position to mediate in matters at issue or which may arise later.

Among other communications addressed General Johnson in connection with the insurance code, is understood to be a strong brief filed by a Massachusetts association, in which challenge is made of the right of the federal government to regulate insurance affairs in the light of the famous Paul vs. Virginia Supreme Court decision, and of two subsequent opinions by the same high tribunal upholding the earlier doctrine that insurance is not commerce and hence not subject to regulation by national authority. It was further pointed out that insurance is now subject to regulation by 48 states and that any serious defects in the conduct of the business may be taken up either through direct appeal to a particular commissioner or through the National Convention of Insurance Commissioners.

## Interesting Facts

FROM THE

### JEFFERSON STANDARD'S ANNUAL STATEMENT

New Insurance Issued (Paid-For Basis) ..... \$ 36,456,800

Insurance in Force ..... 308,810,832

Payments to Policyholders and Beneficiaries in 1933 ..... 9,187,166

Total Payments to Policyholders and Beneficiaries Since Organization 74,290,686

Ratio of Actual to Expected Mortality in 1933 ..... 57%

Interest Earned on Total Invested Assets in 1933 5.5%

Actual Interest Collections on Mortgage Loans in 1933 Averaged ... 6%

Actual Interest Paid in 1933 on Funds Held in Trust ..... 5%

A. R. Perkins, Agency Manager

## JEFFERSON STANDARD LIFE INSURANCE COMPANY

JULIAN PRICE, President

Greensboro, North Carolina

## Says Employer Responsible for Employees' Savings Plan

### OLD AGE PROVISION COMING

Secretary Rowland of Lincoln National  
in Prediction at Joint Man-  
agement Gathering

It is highly unwise and even dangerous for employers of labor to sit back and assume the attitude of "Let the government do it" in promoting a program of economic and social betterment, F. L. Rowland, secretary Lincoln National Life, declared in a talk on "The Social Responsibilities of the Employer of Office Workers," at the joint meeting of the National Office Management Association and American Management Association in Boston. The retention of any semblance of individualism in the future economic system will require employers and capital to recognize broader responsibilities to labor, and particularly in creating a system which makes possible reasonable economic security.

#### Government Supervision

One of the responsibilities of employers in the present economic system, Mr. Rowland believes, is to furnish facilities under some form of government supervision for systematic saving amply secured, for death and disability insurance and provision for retirement. The safety feature has been too much overlooked in the past under many existing systems.

Provision for old age of workers will soon be a necessary requirement for the conduct of business, he believes. He knows of no plan now in effect providing for transfer of pension funds from one company to another in case of change of employment. Affording company-organized relief for employees in distress for one reason or another, Mr. Rowland believes, is decidedly a function of management.

He predicts that employers, rather than local charities, in time will assume the responsibility of providing both physical and financial aid in times of distress for employees.

Mr. Rowland predicts that a plan will develop to license employers of labor in excess of a minimum number. He feels something must be done to prevent the high tide of bankruptcy which reached 20,307 with loss of \$502,830,000 to investors in a single year.

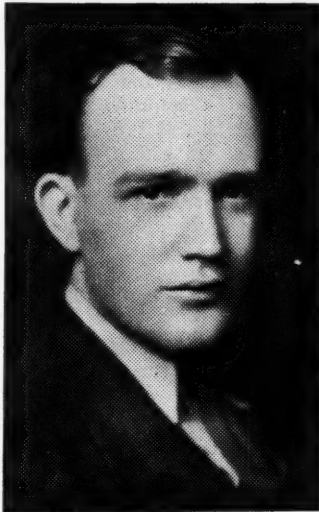
## Barnes-Cohen Old Holding Companies Are in Trouble

Upon petition of Commissioner M. L. Brown of Massachusetts, acting as receiver for the Underwriters Finance Corporation of that state, Chancellor J. O. Wolcott of Wilmington, Del., has been appointed receiver for the Insurance Equities Corporation, the defendant concern agreeing. There is now pending at Wilmington a receivership bill against Insuranshares, Inc. The governing committee of the New York Stock Exchange some days ago suspended dealings in common stock of the Insuranshares corporation.

The former management of the corporation included Julius Barnes, P. F. Biglin, Frank Cohen, and other officials of the Lloyds of America of New York, now in the hands of the New York department for liquidation. The present management, which denies any responsibility for acts of its predecessor, lists among its assets 18,000 shares of Lloyds' stock with a present valuation of \$1. It also holds shares of several midwestern and southern life companies.

The Atlantic Life's January new business increased 60 percent.

## Vice-President



R. L. MACLELLAN

R. L. Maclellan, for the past eight months assistant vice-president and agency manager of the life department of the Provident Life & Accident of Chattanooga, Tenn., has been promoted to vice-president. He has been connected with the Provident's home office since graduation from Dartmouth in 1928, first in the auditing section of the life department, then with the underwriting and later with the agency end. After serving as agency secretary, he was made assistant vice-president and later given the added duties of agency manager. He represents the third generation of his family to become an officer of the Provident. His father, R. J. Maclellan, is now president and his grandfather, the late Thomas Maclellan, was executive head of the company from its earliest days down to his death in 1916.

## Hercules Life Confers with National of U. S. A., Agents

(CONTINUED FROM PAGE 5)

Hercules Life people are counting on only about \$15,000,00 such business at the outset.

A statement was issued by the Insurance Brokers Association of Illinois to the effect that the possible threat of an expanding of mail order selling of life insurance seen in the Sears, Roebuck & Co. entrance in the business, would not exist if strict qualification of agents of the Hercules were required by insurance departments. Otherwise, the brokers see the possibility that Sears, Roebuck employees might push policies in competition with full-time life agents.

#### Comment on Rumors

Sears, Roebuck has a highly successful selling record based on the mail order idea, the brokers stated. The communication said that there are rumors it is planned to push an attractive life insurance sales program based on low costs and a scale of commissions based on the "cash and carry" system, elimination of middlemen and other economies made possible through mail order and chain store outlets.

Policy forms recently submitted to the Illinois department and approved, were being withheld this week for the checking of rates on one form. The Hercules Life probably will be ready to announce its schedule of rates within a week.

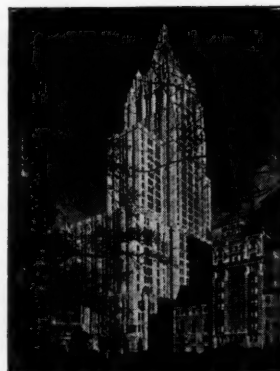
The Lutheran Brotherhood plans to hold a convention at Minneapolis, or some near by lake resort, probably July 1.

# 89-Year Record of Protection to Policyholders

Since it started business in 1845, this Company has paid to policyholders and beneficiaries over \$3,910,000,000. Over one billion dollars of this amount was in dividends.

The stability of this strong mutual company has been particularly demonstrated during the past four years of business depression. In every one of these years, income has exceeded disbursements.

Throughout all the years—during every panic, every war and every epidemic down to the present hour—the New York Life Insurance Company has met every obligation to its policyholders and beneficiaries; it is amply prepared to continue to do so throughout the life of every one of its insurance and annuity contracts.



HOME OFFICE BUILDING

## NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE  
NEW YORK, N. Y.

# The Great American Life Insurance Co.

Hutchinson, Kansas

STEPHEN M. BABBIT, President

Seventeenth Financial Statement December 31, 1933

ADMITTED ASSETS	
First Mortgage Loans on Real Estate.....	\$ 915,078.00
Policy Loans and Liens (Secured by Reserve).....	500,400.84
U. S. Government Bonds.....	90,506.39
Real Estate (including Home Office Building).....	120,797.66
Cash in Office.....	149.34
Deposits in Banks and Trust Companies.....	12,479.32
Interest Due and Accrued.....	63,636.32
Net Uncollected and Deferred Premiums.....	26,867.18
All Other Admitted Assets.....	4,229.16

Total .....\$1,734,144.21

LIABILITIES	
Legal Reserve for Policies in Force.....	\$1,370,318.81
Extra Reserve for other Policy Liabilities.....	24,670.47
Premiums Paid in Advance.....	2,134.84
Unearned Interest Paid in Advance.....	12,057.17
Reserve for Taxes and Bills Due and Accrued.....	8,076.78
Death Claims Pending Completed Proofs.....	6,000.00

Total .....1,423,258.07

Capital Stock .....100,000.00

Surplus .....210,886.14

Total .....\$1,734,144.21

INSURANCE IN FORCE \$7,239,037.00

## SOME ACHIEVEMENTS IN 1933

Total Premium Income.....	\$232,062.97
Total Interest Income.....	75,702.58
Increase in Admitted Assets.....	57,584.37
Excess of Income Over Disbursements.....	27,863.20
Increase in Policy Reserve.....	24,629.55
Increase in Surplus.....	34,300.87

ASSETS IN EXCESS OF POLICY LIABILITIES \$310,886.14

Paid Policy Holders Since January, 1918 .....\$1,387,817.50

# Bankers National Life Insurance Co.

JERSEY CITY, NEW JERSEY

Ralph R. Lounsbury, President William J. Sieger, Supt. of Agencies

Condition as at close of business December 31, 1933

## ASSETS

Bonds:	
Government, State, County and Municipals.....	\$ 709,228.70
Public Utilities.....	398,524.01
Railroads.....	193,363.51
Industrial and Miscellaneous.....	190,470.70

Total Bonds .....\$1,491,586.92

(All Bonds in Default as to Interest or Principal have been written down to December 31, 1933, Market Value)

First Mortgage Loans.....	598,379.96
(Farm Properties \$141,950.04 and City Properties \$456,429.92)	

Real Estate.....	115,313.39
(Written down to present conservative Market Value)	

Stocks.....	53,493.50
(December 31, 1933, Market Value)	

Loans to Policyholders.....	660,800.04
(Amplified secured by reserves on policies)	

Cash.....	145,588.26
-----------	------------

Net Uncollected and Deferred Premiums.....	418,801.77
(Balance due on current premiums within the grace period, and on premiums payable in installments)	

Interest Due and Accrued and Miscellaneous Assets.....	30,228.02
--	-----------

Total Assets .....\$3,514,191.86

## LIABILITIES

Legal Reserve	
(For Protection of Policyholders).....	\$2,636,819.19

Policy Claims awaiting Proof.....	69,684.86
(Including reserve for claims not yet reported)	

Policyholders' Dividends Left to Accumulate.....	78,525.48
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Dividends due Policyholders in 1934.....	77,565.53
--	-----------

Premiums Paid in Advance.....	13,539.10
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Unearned Interest.....	17,294.44
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Reserve for 1934 Taxes and Licenses.....	26,684.40
--	-----------

Miscellaneous Accrued and Estimated Expenses.....	36,056.99
---	-----------

Special Reserve for possible losses on Mortgages.....	47,082.58
---	-----------

Total Liabilities .....\$3,003,252.57

Capital and Surplus (for additional Protection of Policyholders).....	510,939.29
---	------------

Total .....\$3,514,191.86

Insurance in force Dec. 31, 1933 \$60,189,930

Gain for Year \$1,858,697

This Company Is Rated "A" by Best

## ANNUAL STATEMENTS SHOW PROGRESS

(CONTINUED FROM PAGE 5)

Securities were written down by \$7,635,055. Payments to policyholders and beneficiaries were more than \$97,000,000. Mortality ratio was 57.9 percent. During the year a net profit of approximately \$623,000 was received from the sale of securities, but the investment portfolio remains practically the same as in 1932, except for the purchase of government and other bonds.

In the latter months of 1933 general business conditions in the United States, Great Britain and Canada improved from the low point of the early months and were reflected in the sales of life insurance, the trend being steadily upward. In this connection it is interesting to note that the Sun Life secures most of its new business from these countries, and of its business in force 89 percent is on the lives of residents of the United States, Canada, Great Britain and other parts of the British Empire. New policy loans granted during 1933 were 30 percent less than in 1932.

The surplus earned during the year afforded a substantial margin over the dividend requirements to policyholders on the basis of distribution currently in force. During the year the amount received in consideration of annuities showed a sharp increase. The 1933 figure was approximately \$13,000,000 as against \$8,000,000 for 1932. Payments to policyholders and beneficiaries were over \$97,000,000, bringing such payments by the Sun Life since organization 63 years ago to over \$800,000,000. The rate of mortality was 57.9 percent as compared with 58.2 percent for 1932.

## RELIANCE LIFE

The Reliance Life of Pittsburgh has issued its annual report showing assets \$80,510,848, which include investment bonds \$48,522,479, mortgages \$4,231,627, real estate \$541,312, cash \$1,494,813, policy loans \$18,809,125, premium lien notes \$4,144,073, outstanding premiums \$1,795,432. Its capital is \$1,000,000, contingency reserve \$1,414,000, net surplus \$3,592,178. It increased its assets \$2,659,639. Its premiums last year were \$14,358,559 and total income \$18,124,486. It paid policyholders \$11,981,204, the excess of income being \$2,776,179. The Reliance Life is one of the foremost American companies and does a country-wide business.

## GREAT AMERICAN LIFE, KANSAS

The Great American Life of Hutchinson, Kan., has issued its annual statement showing assets \$1,734,144 of which \$915,078 is mortgages, \$500,401 policy loans, \$90,506 government bonds, \$120,798 real estate including the home office building. Its capital is \$100,000 and net surplus \$210,886. It has \$7,239,037 insurance in force. Its premium income was \$232,063, interest income \$75,703. It increased its assets \$57,584. Its excess of income is \$27,863. Its surplus increase is \$34,301. Stephen M. Babbit is president. The company started in 1918 and has paid policyholders \$1,387,818 since that time.

## GREAT SOUTHERN LIFE

Total assets of the Great Southern Life are reported by President E. P. Greenwood at \$41,512,384, policy reserves are \$35,682,701, extra surplus \$1,003,472, increase \$200,000, capital \$3,000,000 and net surplus \$1,000,000. Mr. Greenwood stated the Great Southern doesn't owe a borrowed dollar, hasn't a single claim due and unpaid and has nearly \$1,500,000 cash.

Mr. Greenwood predicts that 1934 will go down in history as America's year of greatest achievement. The full benefits of the scores of government projects now getting under way will be felt this year. A steady increase in price of farm products will bring millions to farmer and rancher. Depressed conditions cannot remain when vast

sums of money are put in the hands of people.

The year 1933 marked the end of the falling off in life insurance business, policy lapses reached a new low and new business renewed better. There was a falling off in policy loans and a trend towards increased repayment of such loans. These are unmistakable signs of people having more money to spend, he said.

## OCCIDENTAL LIFE OF LOS ANGELES

The Occidental Life of Los Angeles in its new statement shows assets \$23,439,818, capital \$1,000,000, assigned surplus \$577,772 and unassigned surplus \$762,286. Its new business last year amounted to \$48,105,486, giving it insurance in force \$172,168,659. Its life premium income was \$4,584,022 and accident \$209,643. Its total income was \$6,328,099. Vice-president R. J. Giles calls attention to the \$5,053,690 in federal and other public bonds in the assets. Mortgage loans are \$4,116,265, policy loans \$5,282,461. The company is making splendid progress.

## INDIANAPOLIS LIFE

The Indianapolis Life in its new statement shows assets \$15,264,296, gain \$512,656. Its cash is \$459,455, federal bonds \$680,044, other government bonds \$761,539, utility \$212,467, mortgages \$6,846,266, policy loans \$3,581,875, real estate including home office \$1,540,710, dividend reserve \$193,000, investment and mortality fluctuation reserve \$265,000, net surplus \$747,485, new business \$12,361,706, insurance in force \$94,267,434, dividends to policyholders \$453,496, death claims \$518,967; total paid beneficiaries \$2,083,146, total income \$3,618,455, total disbursements \$3,149,401, mortality ratio 45.9 percent, average mortality ratio 28 years, 41.1 percent. The contingent surplus gain was \$200,000 and the free surplus \$25,358.

## BANKERS NATIONAL LIFE

The Bankers National Life of Jersey City gained \$1,858,697 insurance in force, that item being \$60,189,930. Its new business last year was \$24,040,130. The assets are \$3,514,192, increase \$276,540. It has \$1,491,587 bonds in its assets, \$598,380 mortgages, \$660,800 policy loans, \$145,588 cash. Its policyholders' surplus is \$510,239. All bonds on which there is any default and stocks have been listed at market value as of Dec. 31. Real estate is put down at rock bottom, being determined by recent appraisals. A reserve of \$47,082 has been set up for possible losses on mortgages. The 1933 dividend schedule will be continued for January and February. The announcement of its policy for the rest of the year will be determined later. There is no change in the interest rate on funds left with the company. Its new premiums were \$394,930, renewals \$1,000,120, total income \$1,586,604, total disbursements \$1,223,158. Its assets are well diversified.

## PACIFIC MUTUAL LIFE

The Pacific Mutual Life in its new statement shows assets \$198,207,143, capital \$5,082,000, dividend surplus \$1,294,212, free surplus \$6,068,422, contingency reserve \$2,342,219. Its gain in assets was \$4,293,239, its total life income was \$43,968,034 accident premium income \$5,510,056, insurance in force \$654,584,643, new business \$45,291,269, paid policyholders \$28,280,581. It earned 5.47 interest and its mortality ratio was 59.1 percent. The company makes a most excellent showing. It has cash on hand amounting to \$4,091,560.

## ACACIA MUTUAL LIFE

The Acacia Mutual Life in its annual statement shows assets \$51,900,560 of which \$20,419,902 are mortgages, \$5,794,213 real estate, \$1,060,784 federal

government bonds, \$3,096,850 other bonds, \$15,776,963 policy loans, \$1,211,574 cash, \$3,428,353 premiums in course of collection. It puts up \$775,000 as a contingency reserve for surety fluctuation and then has \$1,307,644 free surplus. It increased its new written business last year 26 percent, a 14 percent increase in paid for business, 13 percent increase in amount of reinstated business. Its income in excess of disbursements was \$2,917,889. The Acacia Mutual is one of the most economically and ably managed companies in the country and prides itself in its liberality.

#### WEST COAST LIFE

Par value of stock of West Coast Life is to be raised from \$1 to \$10 with no change in capital setup, which remains at \$750,000, in accordance with action at the annual meeting. Net earnings during 1933 totaling \$438,109 are to be placed in the contingency reserve for investments and no dividends to stockholders are to be paid. Assets Dec. 31, were \$21,490,554, increase \$144,435, unassigned surplus \$298,305, same as end of 1932, total 1933 new business \$14,892,660, bringing total in force at end of year to \$114,576,777.

#### Aetna Executives Starting New Transcontinental Trip

President M. B. Brainard, Vice-president S. T. Whatley and R. B. Coolidge, assistant superintendent of agencies of the Aetna Life, are starting another transcontinental trip to address agency meetings in the west and on the Pacific Coast.

Mr. Whatley leaves New York City, Feb. 16, after seeing off Mrs. Whatley and their daughter on a boat trip to San Francisco, where they will visit Mr. and Mrs. F. C. Whatley. Mrs. Whatley and her daughter will be accompanied on the voyage by Mrs. E. E. Cammack, wife of the vice-president of the Aetna Life. Mr. Whatley will go to Chicago for the weekend, and will then attend the Denver agency meeting Feb. 21-22. Mr. Coolidge will join him at the Denver conference. They will hold meetings in Salt Lake City Feb. 23-24 and Spokane, Wash., Feb. 26.

President Brainard is scheduled to leave Hartford the last of the month, in time to address a meeting in Denver, March 2-3. He will then proceed to Seattle for an agency meeting March 5-6, where he will meet Mr. Whatley and Mr. Coolidge. The three executives will attend meetings in Tacoma March 7; Portland, Ore., March 8-9; San Francisco, March 12-13; Oakland, March 15 and Los Angeles, March 16-17.

When this field trip is completed, Mr. Whatley will have covered all of the Aetna Life agencies since he went to the home office less than a year ago. President Brainard has accompanied him on several of these agency visits. The middle west and southeast had been covered previously.

#### Commissioner Hobbs Urges Reform in Sales Practices

WICHITA, KAN., Feb. 15.—Commissioner C. F. Hobbs of Kansas conducted the first of a series of regional meetings here with about 500 life men attending. He called attention to the unethical practices which have been on the increase around Wichita, including misrepresentation and unfair statements of the financial condition of competing companies. He warned against casting reflection on other companies, as it gives the business as a whole a bad name. He said the agent who knocks and criticizes others may injure himself by destroying his prospect's confidence. Mr. Hobbs said there are enough prospects in the market who need insurance without disturbing the present satisfied policyholders by telling them that they can

get better insurance for their money in another company.

Mr. Hobbs treated the question of continuing policies of failed companies which have been reinsured. He said that many factors must be considered. He pointed out the lien of 60 percent on the Pittsburgh Life policies was wiped out in ten years after the Metropolitan Life took over the Pittsburgh.

E. A. Watkins, Wichita manufacturer and past president of the chamber of commerce, spoke from the viewpoint of the assured. He told of the harmful effect of idle gossip about the financial condition of insurance companies and banks as even the strongest institutions can so be undermined.

#### Detroit Group May Take in Windsor (Ont.) Association

DETROIT, Feb. 15.—Application for admittance to the Qualified Life Underwriters of Detroit has been made by the Windsor (Ont.) Life Underwriters Association, which is experiencing difficulty in getting speakers for its meeting. H. B. Knaggs, New England Mutual, third vice-president, was designated to handle negotiations with the Windsor organization, which includes life under-

writers from Windsor, Sandwich, Walkerville and other border cities adjacent to Detroit.

Application for admittance was also made by the newly revived Detroit Life Insurance Supervisors Association, through A. J. Hanson, New York Life, temporary chairman of the organization. Executive Secretary H. B. Thompson was empowered to extend cooperation to the supervisors and to arrange the tieup with Mr. Hanson and his associates.

Insurance Commissioner Charles E. Gauss of Michigan was elected to honorary membership.

Arrangements were made to cooperate with the Michigan State association in sponsoring the appearance of Miss Mary Sue Wigley, of the American family department of the National association, before women's groups throughout Michigan.

#### K. H. Bair to Bring Greetings

Kenneth H. Bair of Greensburg, Pa., a member of the executive committee of the National Association of Insurance Agents, next Monday evening will bring greetings from his organization to the dinner in Pittsburgh, which is the final feature of Pittsburgh insurance day.

The toastmaster will be J. Roy Dickie and the principal address will be given

#### Nose for News Required in Effective Prospecting

Prospecting requires not only tact but intelligent effort as well, said F. W. Paris of the National Life of Vermont at the Portland (Ore.) Life Underwriters Association's all-state sales congress. "A high grade prospector must be a star reporter. He must work his beat. He must inquire; he must investigate; he must dig up facts about others; he must uncover situations; he must have a nose for news and ears always open.

"A good life insurance prospector 'scoops' his competitor. He must know about the changes in the business world before they break as general news. When it comes out in the press it is everybody's property. He must know who is making money and consequently has buying power."

by John Dickinson, assistant secretary of the United States Department of Commerce.



## ORGANIZED SELLING METHODS

Effective, tested methods of telling a convincing story have now been developed for Minnesota Mutual Field Men to fit several "life situations"—

With us you have a way to find and proceed effectively with

Young Men

Employed Women

Children

Men who have to rebuild their whole program

A Minnesota Mutual representative knows how to keep supplied with such prospects to see—and he knows what to do when he goes to see them.

# THE MINNESOTA MUTUAL LIFE INSURANCE CO.

Saint Paul, Minnesota

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION, PUBLISHED EVERY FRIDAY

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### Danger in the Adjustment Practice

THERE is no phase of the life man's work that so tests his caliber these days as the way in which he handles his rewritten cases or becomes an "advisor" to some other agent's clients, resulting in his taking them over to himself and readjusting their insurance, presumably to meet the latest situation. There is, of course, always more or less of this in normal times, but thousands of new cases, many of them for important amounts of insurance, have been brought to a head by the depression.

It does not take a large case to illustrate the evils that may develop, but just as an illustration let us cite a recent case of suicide of a man who, according to reports, had during the boom times carried as much as \$3,000,000, had had his policies readjusted by an expert and after the loans had been paid off and the new policies had been written he came out with a net of about \$1,500,000, according to the story. Then, due to ill health and business reverses, he committed suicide, believing his insurance was all in good shape. Unfortunately, however, he overlooked the fact that the newly issued policies carried a suicide clause and again, if the story is correct, his largest single policy one for \$250,000, was still within the suicide period and could not become a claim. It is presumed there were other smaller policies under similar conditions. One will hardly sympathize, of course, with this man's attempt to shift his burdens to the insurance companies.

Whether many agents who are claiming to give professional service are really doing so is a question which is forcing itself more insistently upon those who are studying the present trends in the business. Certainly the agent who makes it the major part of his work to seek out and readjust policies is in grave danger of doing a serious injustice to many of his clients, for the sake of some commission. The most disturbing evils in the business at the present time may be said to be the outcome of agents trying to get people to use their old established insurance to carry new, instead of leaving it alone. The new low rate policies

have much to do with this situation. In cleaning up the loans on old insurance it is so easy to get the assured to take his cash and then spend a good part of it on the premium for a new large but low rated policy by which the assured has sacrificed an equity created through years of endeavor and started him out on a new program at a much older age, often a program which will not be suited to him.

Every agent can bring to mind cases out of his own knowledge where this has been done. Just for example, here is one: A man took out \$20,000 20-payment life in 1918 at the age of 35. There was no loan or other disturbance until 1926 except that in 1921 the policies were changed to ordinary life. In 1926 loans were made and in 1932 the assured surrendered all. This is a simple case, but too often repeated. The trouble began when an "advisor" entered the case.

In the many rewritten cases the advisor frequently fails to stress properly the fact that the new policy will carry a less liberal disability clause, that some companies which are tightening their restrictions on loans and surrenders have increased their surrender charges and extended them for a longer period, that, of course, even though the policy is term for the first few years it is rated at the higher age, that new policies will carry certain restrictions such as a suicide clause, etc.

There are cases of readjustment by necessity but many more where the chief reason or excuse is the chance of the agent to make a new commission, or to start another run of renewal commissions on old policies rewritten which no longer carry an agent's renewal. These insidious forces are at work and are undermining the business to a considerable extent. They can be dealt with best by a conscientious general agent, the home office which stands for sound service to the policyholder, and when necessary by the grievance committees of the life underwriters' association. Never in the history of the business has a high sense of honor and service on the part of the life insurance fraternity been needed more than at the present time.

## PERSONAL SIDE OF BUSINESS

B. A. Weidemann, San Antonio, Union Central Life manager for southwest Texas, reports that the January written and paid business of his agency increased 30 percent.

Morris Haiblum, who had been manager of the Guardian Life of New York, in Brooklyn for the last ten years and connected with the company for nearly 17 years, died Feb. 12 after a short illness.

W. L. Laidlaw, agency manager of the Beacon Life of Tulsa, had a serious automobile accident while returning to Tulsa from Dallas.

He is in the hospital at Ardmore with several broken ribs and a broken nose. He hopes to be able to return to his home in Tulsa in a few days, although he will probably be away from his office for some little time.

Insurance people figure prominently in the Children's Service League of Springfield, Ill. At the annual meeting Henry Abels, vice-president Franklin Life, and Mrs. R. W. Troxell, wife of a Springfield local agent, were elected on the board. Mr. Abels later was chosen president and Alvin S. Keys, Springfield local agent, and president of the Illinois Association of Insurance Agents, was elected treasurer.

W. O. Baldwin of Detroit, inspector of agencies for the great middle west department of the New York Life, has just celebrated his 63rd birthday. He joined the New York Life in Burlington, Vt., in 1896 and in 1903 became agency director in the Vermont branch. Two years later he went to Springfield in the same capacity and in 1914 became supervisor of the great middle west department, which includes Michigan, Ohio, Indiana, Kentucky and West Virginia, with headquarters in Cleveland. In 1916 he was promoted to inspector of agencies and transferred to Detroit.

F. D. Davis, educational director of the American Life of Detroit and widely known insurance economist, was the guest of the executives of the company at a banquet celebrating his 75th birthday. President Clarence L. Ayres presented Mr. Davis a handsomely bound set of books. Claris Adams, executive vice-president, acted as toastmaster.

James A. Rodman, president of the American Thrift Assurance of Omaha, was invited to Washington, D. C., for a conference of non-bankers called by the United States Chamber of Commerce to discuss federal bank insurance. Mr. Rodman personally is opposed to any form of bank guaranty. As a former member of the Nebraska senate, he was one of the leaders of the legislative fight for the repeal of the Nebraska guaranty law.

R. H. Cherry is in his 48th year as a representative of the Bankers Life of Iowa, and his son, R. B. Cherry, observed his 20th anniversary with the company in January. Father and son constitute the firm of Cherry & Cherry, general agents at San Antonio, Tex.

Edwin Starkey, Jr., Oklahoma City, son of Vice-president Edwin Starkey, led the entire sales force of the Mid-Continent Life for January. He also led the sales force in percentage of first year renewals in 1933. Young Mr. Starkey graduated with distinction from Oklahoma University five years ago, and entered the selling field at once. He has led the company several times before.

Carl E. Sanden, president of the Corn Belt Life of Nebraska, has announced his candidacy for Congress on the Democratic ticket in the First district.

He has a large law practice in Lincoln. W. H. Jurgensen, president of the Western Union Life, will file again for lieutenant governor, a position he has occupied for two years. He is also a Democrat.

Gus Moreland, three times Texas amateur golf champion and twice Walker Cup choice, has joined the Dallas agency force of the Minnesota Mutual Life.

James A. Walsh, 46, Hartford, general agent for the Massachusetts Mutual Life for the past ten years, died suddenly Sunday morning of heart disease. In 1912 he became associated with F. A. Griswold, general agent Northwestern Mutual Life and became general agent for the Massachusetts Mutual in 1924. The funeral was held Tuesday.

S. L. Mains, 69, general agent of the Bankers Life of Nebraska at Crete, Neb., was stricken with heart failure, while attending the annual agency convention at Lincoln, dying within a few hours. He had been with the company 23 years.

Frank J. Macklin, a well known local insurance agent of Columbus, O., and a director of the Midland Mutual Life of Columbus, died in Mt. Carmel hospital in that city at the age of 65.

Dallas Alderman, agency secretary of the Kansas City Life and manager of the home office agency, is recovering nicely from an appendix operation.

W. T. Grant, president Business Men's Assurance, and Mrs. Grant; Dr. E. F. Robinson, medical director, and Mrs. Robinson, are on a two weeks' trip to Mexico City. Mr. Grant will go from there to visit branch offices of the company on the west coast and in the Rocky Mountain region.

J. J. Harrison, Arkansas manager of the Union Central Life, has been named Arkansas director of the national emergency council. He will assume direction of the NRA and AAA compliance in the state, aid in the creation of consumer's councils where necessary, set up information bureaus for the guidance of the public, and supervise the establishment of volunteer recovery committees. Mr. Harrison has headed the Arkansas Union Central Life organization since 1931. He is prominent in civic affairs in his home state and has achieved many honors. He is a member of the board of the state fair association, director of the Arkansas State Y. M. C. A., and a trustee of Hendrix College, Conway, Ark.

Insurance Director Ernest Palmer of Illinois is sojourning at Phoenix, Ariz., with Governor Horner, both of them resting after a long and hard ordeal with official functions. Director Palmer has been a tireless worker and his responsibilities have been enormous. He has succeeded in accomplishing much in his office but the burdens are sapping his energy.

Charles F. Williams, president of the Western & Southern Life, is deep-sea fishing off the Florida coast at Miami.

C. H. Beckett, actuary of the State Life of Indianapolis, is gradually improving. Early in November he sustained a stroke caused by a cerebral hemorrhage, which for a time threatened his life. He has been confined to his home since the attack.

M. M. Mahoney, Indianapolis, 65, Indiana state senator and supervisor for the Metropolitan Life, died at his home following an illness of several months. He was an organizer for the Majestic

Life when it first was formed and in some form or another had been active in insurance work most of his business life.

**George A. Bangs**, who recently was elected president of the United Mutual Life, and Mrs. Bangs were guests of honor at a dinner dance given by home office employees and department heads at Indianapolis with 175, including members of the board of directors present. Edward Horton, vice-president, was toastmaster.

**Austin W. Stults**, department manager at the home office of the Lincoln National Life, who has been ill with amebic dysentery for the past eight weeks, is believed to be recovering. He is one of a very small number of persons in Indiana who contracted the malady, which several months ago reached the epidemic stage in Chicago.

**E. E. Rhodes** and **H. G. Hornfeck**, vice-presidents of the Mutual Benefit Life, who have been with the company for nearly 48 years, will both celebrate their birthdays this month. Mr. Rhodes will be 66 years old Feb. 21 and Mr. Hornfeck will be 64 Feb. 24. Both were born in New Jersey.

**Thomas W. Wert** of Decatur, Ala., and Birmingham, an upstate Democratic leader for many years, who is president of the American Life of Birmingham, has announced that he will make the race for lieutenant governor in his state. For 10 years he was judge of the Morgan county law and equity court. He divides his time between Birmingham and Decatur. He attended both the University of Alabama and the Alabama Polytechnic Institute.

**O. P. Schnabel**, San Antonio manager of the Jefferson Standard Life, was featured as one of San Antonio's most outstanding business men by the Texas "Commercial News" of Dallas. This article gives a synopsis of his life, a large part of which has been spent in civic work, and in helping the life insurance movement in Texas. He has been recognized as one of the outstanding men in the business in Texas and has held many positions of responsibility in both civic and insurance organizations.

"My Golden Kansas Days," a song hit written some 12 years ago by **Harry Stanley**, general agent of the Equitable

Life of Iowa at Wichita, was revived at the recent Kansas Day celebration in Topeka. Mr. Stanley has been urged to have a new edition of the song published. He has had several requests for the song in recent weeks, including several civic club meetings.

**Mrs. W. S. Pritchard**, director of the American family department of the National Association of Life Underwriters, is in Florida for a lecture tour, talking before women's clubs, parent-teachers associations, schools and radio stations. She delivered five talks in Jacksonville and is now covering the rest of the state.

President **Herman A. Behrens** of the Continental Casualty and Continental Assurance of Chicago is now on a South American trip and will be away several weeks.

**A. Van Goldman**, Chicago ordinary branch manager of the Prudential, and Mrs. Goldman have just started on vacation, to take in the Mardi Gras in New Orleans and then spend a short time in Florida.

**W. W. Gillman**, 66, for the last 10 years assistant counsel for the Northwestern Mutual Life, died of pneumonia at his home in Madison, Wis. Mr. Gillman spent much time in Milwaukee for the Northwestern and was also widely known throughout the state for his work involving compensation cases. He graduated from the University of Wisconsin law school, and practiced law at Madison and Boscobel, Wis. For 13 years he was on the staff of the state attorney general, specializing in compensation cases.

**H. M. Solenberger**, general agent, Mutual Benefit Life at Springfield, Ill., is again at his desk after being confined to his home for several days after having experienced injuries in an automobile accident near his city.

**August Merkle**, Prudential superintendent at Cincinnati, is to be honored this week at a testimonial dinner commemorating his 25th anniversary with the company. John P. Mackin, second vice-president; W. R. Konow, assistant secretary, and T. H. Girtanner, division manager, are representing the home office.

Mr. Merkle has been in Cincinnati four years, formerly having been superintendent at Lafayette, Ind.

## NEWS OF THE COMPANIES

### No Receiver Is Applied For

**Fidelity Union Life Confused with Two Companies of Similar Names at Dallas**

DALLAS, TEX., Feb. 15.—There has been much confusion here due to the suit for receivership against the Fidelity Union Insurance Company, which is a combination of the old Fidelity Union Fire and Fidelity Union Casualty, formerly two of the Carr P. Collins group. These two companies are now in process of liquidation and Mr. Collins, said by John Dawson, who brought the suit, to be president of the companies during liquidation, has been cited to appear in court to show cause why a receiver should not be appointed. This led to the press associations in Dallas sending out corrections in their story in that the Fidelity Union Life was mentioned.

THE NATIONAL UNDERWRITER was misled by the article that appeared in the daily press and regrets that the Fidelity Union Life was mentioned as the company for which receivership had been applied. In the office of both Mr. Collins and Mr. Dawson it was said that the confusion of the names of the companies prob-

ably led to the report going out that the suit was against the Fidelity Union Life. The Fidelity Union Life is not involved in any way in the receivership. Mr. Collins is chairman of the board of the Fidelity Union Life and is still connected with the companies reported in process of liquidation. The Fidelity Union Life experienced a satisfactory business last year and is in most excellent financial condition. There is no doubt at all as to its standing.

### G. Hall Roosevelt Studies Peoria Mutual Situation

PEORIA, ILL., Feb. 15.—A group of financiers and life insurance men, headed by G. Hall Roosevelt of Cleveland, a brother of Mrs. Franklin D. Roosevelt, has made a tentative proposition for becoming interested in the new Peoria Mutual Life.

A representative of the group has been here to investigate the affairs of the Peoria Life, now in receivership, in regard to the program for mutualizing the company.

Roosevelt's experience has been more in finances than in life insurance al-

## INDIANAPOLIS LIFE INSURANCE COMPANY

INDIANAPOLIS, INDIANA

A MUTUAL LEGAL RESERVE COMPANY

Organized in 1905

OPERATING under INDIANA'S STRICT INVESTMENT and COMPULSORY DEPOSIT LAW limiting investments to non-speculative securities and requiring that the RESERVE be DEPOSITED WITH THE STATE OF INDIANA.

### SUCCESSFUL FROM THE START

The Company has a remarkable history. It was started without promotion expense and was successful from the beginning.

It has never departed from its original purpose or entered any race for size.

Our motto has always been HOW WELL MAY WE SERVE rather than HOW MANY, and always SAFETY FIRST.

### SIGNIFICANT FACTS Concerning the Company's CONTINUED PROGRESS.

Total Assets .....	\$15,264,295.50
Gain in 1933.....	512,655.96
Surplus .....	1,012,784.68
Gain in 1933.....	245,358.34
Average mortality ratio for 29 years..	41.1%
Total paid to Policyholders and beneficiaries since organization.....	12,761,123.04
Total paid to and invested for Policyholders since organization.....	28,287,566.62
Insurance in Force.....	94,267,434.00

### 1934 OUTLOOK BRIGHT

Splendid gains made in January, 1934. Written and paid business considerably ahead of January, 1933. Gain in Insurance in Force in January largest of any month since October, 1931.

THE GOOD SHOWING MADE BY THE INDIANAPOLIS LIFE and the esteem in which it is held by Policyholders and the public are results of tenacious adherence to sound principles and practices.

*We reaffirm our pledge to keep the Company within safe conservative lines, to indulge in no doubtful experiments, to observe the spirit of Mutuality, and in the future as in the past to keep QUALITY, SERVICE and SAFETY FIRST.*

Operating in Indiana, Illinois, Ohio, Iowa, Michigan, Minnesota, North Carolina, Texas, California, Florida.

James R. Mayfield  
Agency Manager

Edward B. Raub  
President

## ETHICS

The attitude of the insuring public toward the life insurance business and life insurance companies depends almost wholly upon the character and behavior of those whose privilege it is to represent the companies before the public. No verbal or written statements attacking other companies, their policies, or their agents, should be made. Selection of coverage to be presented should rest solely upon supreme need—not upon commission to be earned.

Honesty, straightforward sales methods, strict adherence to promises, conscientious and intelligent service, good character, industry, loyalty to self, client, and company—all these are the requisites that go to make up the desirable agent and that are essential to the preservation of the good name of the institution of life insurance.

**AMERICAN CENTRAL LIFE**  
INSURANCE COMPANY  
INDIANAPOLIS - - - INDIANA

## MUTUAL TRUST

LIFE INSURANCE COMPANY

EDWIN A. OLSON  
PRESIDENT  
CHICAGO  
ILLINOIS  
"AS FAITHFUL AS OLD FAITHFUL"

... An Illinois Company  
Proud of its Home State  
Proud of its Home City  
Proud of its own Record

The only Illinois mutual, full level premium reserves  
Company

\* \* \* \*

One of the 24 mutual full level premium reserve companies in the United States.

\* \* \* \*

Retired its capital stock during its first year.

\* \* \* \*

A twenty-nine years record of one continuous management and of prompt payment of every obligation.

\* \* \* \*

Illinois has today the most stringent insurance laws of any state in the Union.

though he has been a director of a life company, but associated with him are men who are experienced in the business. Roosevelt was formerly comptroller of the city of Detroit.

What the attitude of the directors of the new insurance company will be to the proposal has not been determined.

The Peoria Life now has \$800,000 in cash.

### Expect Receivership Suit to Last Another Three Weeks

ST. LOUIS, Feb. 15.—Superintendent R. E. O'Malley's receivership suit against the Continental Life of Missouri now on trial here before Circuit Judge O'Neill Ryan, is expected to continue for approximately another three weeks and perhaps longer. The direct evidence of President Ed Mays alone consumed nine days, while the cross examination of Mr. Mays took several more days.

Theodore Rassieur, chief counsel for the defense, has revealed that he plans to call 27 additional witnesses to the stand but some will be merely asked a question or two. How much time will be taken in the cross examination is problematical.

#### Will Dissolve Holding Company

In his testimony President Mays revealed that he and his associates intend to dissolve the Continental Securities & Holding Company, which owns about 72 percent of the Continental Life stock. This holding concern was formed at a time when Rogers Caldwell of Nashville was attempting to gain control of the Continental Life and saved the concern from the Caldwell regime after the Caldwell interests had invested \$417,000 in Continental Life stock. Mr. Mays stated that the dissolution of the holding concern had been under consideration for about two years.

Mr. Mays said that the Continental Life's deposits in the Grand National Bank would be paid off in full whether that institution opens or not. This contention is fully supported by a report made by national bank examiners last April.

Mr. Mays testified regarding a conversation with Superintendent O'Malley in which he claimed the latter attempted to wrest control of the Continental Life from him. It is the contention of the defense that it was Mr. Mays' refusal to comply with the demands by Mr. O'Malley that really led to the filing of the receivership suit against the company.

#### Yeomen Mutual Statement

The Yeomen Mutual Life of Des Moines in its new financial statement shows that 60 percent of its assets are in government, state and municipal bonds. During the year the company was able to pay out of its current income all policy demands and other claims without selling any securities or borrowing money. In addition, more than \$825,000 in federal bonds were purchased. The assets are \$23,819,448 and surplus \$1,634,972. The policyholders were paid \$5,000,000 last year, making a total of more than \$66,000,000 since the company was founded.

#### Oregon Mutual's New Directors

Three new directors have been elected on the board of the Oregon Mutual Life, they being R. B. Wilcox, well known business man of Portland, who is a former president of the Portland chamber of commerce; W. P. Stalnaker, treasurer of the company, and R. R. Brown, secretary and actuary. Mr. Stalnaker has been with the Oregon Mutual for 17 years. Mr. Brown entered the actuarial department in 1919.

The company has \$51,901,281 insurance in force, a decrease of 4.45 percent. Its new business was \$4,571,058, gain 18 percent. Its mortality ratio was 57.3

percent. Its interest rate on proceeds was 4.8 percent. Its assets are \$12,055,185, increase \$116,527.

#### Ramey, Blandford Advanced

J. F. Ramey has been promoted from secretary of the Washington National to vice-president and secretary. Mr. Ramey has been in charge of commercial, monthly premium and group accident and health. He has been with the Washington National since it was formed in 1926 and was secretary of the Fidelity Life & Accident before it was merged with other companies as the Washington Fidelity National. Mr. Ramey was formerly insurance commissioner of Kentucky.

J. B. Blandford has been promoted by the Washington National from assistant secretary to assistant vice-president.

#### Oklahoma National Licensed

The recently organized Oklahoma National Life of Oklahoma City has been licensed in Oklahoma. It is a stipulated premium company, with \$10,000 paid up capital. Its authorized capital is \$50,000. B. N. McMullen, who is vice-president and agency manager, has resigned as general agent of the California Western States Life, effective March 1. He has served the California company in that capacity for 15 years.

#### Two New Vice-Presidents

At the annual meeting of the Pacific Mutual Life, DeLancey Lewis, a director and manager of the San Francisco branch office, was elected a vice-president. R. W. Cross was also elected a vice-president and appointed manager of the bond department.

Mr. Lewis after practicing law in San Jose for a number of years joined the San Francisco office in 1924, and was made manager in 1925. Mr. Cross has been with the National City Company of New York for 16 years and was in charge of its Pacific Coast organization before joining the Pacific Mutual.

#### Welch in New Connection

H. C. Welch, formerly vice-president of the American Bankers of Jacksonville, Ill., is now connected with the American Life of Ottawa, Ill., and together with Dr. W. F. Weese, chairman of the board, is organizing an industrial debit for the American Life in Chicago.

#### Now Ministers Life & Casualty

The name of the Ministers Casualty Union of Minneapolis has been changed to the Ministers Life & Casualty Union, inasmuch as it writes both life and accident and health insurance. There has been no change in the official personnel, policies or rates.

#### Company Notes

E. R. Sloan, formerly justice of the supreme court of Kansas, has been elected a director of the Federal Reserve Life.

A. J. Weaver, Jr., son of a former Nebraska governor, was added to directors of the Union National Life of Nebraska at the annual meeting. Business in force at the end of the year, the company's second year, was \$2,336,000, an increase of 104 percent. Officers reported no delinquencies on its investments in either interest or principal.

#### Allegheny Department Moves

Headquarters of the Allegheny department of the New York Life will occupy an entire wing, or 4,500 square feet of floor space in the Grant building, Pittsburgh, after Feb. 21. M. B. Flood is inspector of agencies for the department, which includes seven branch offices serving that part of Pennsylvania west from Harrisburg, eastern Ohio to beyond Columbus, all of West Virginia and western Maryland. Business for the Allegheny department has shown a marked increase since the first of the year, according to Mr. Flood, who reports January 25 percent ahead of January a year ago.

## LIFE AGENCY CHANGES

### New Chicago Office Opened

**Bankers Mutual Life of Freeport, Ill., Puts L. H. Engstrom in Charge as Manager**

The Bankers Mutual Life of Freeport, Ill., has opened a new Chicago office in the Midland building, 176 West Adams street, where it will maintain complete service for all Cook county. It has had an office in Chicago for a number of years. The new office will be in charge of L. H. Engstrom, for many years state supervisor in Illinois for the Bankers Mutual. He will relinquish his former position in favor of B. M. Colvin, who is a new acquisition of the company. Mr. Engstrom therefore will now center his activities on Indiana and Michigan and will also take active charge of Chicago and Cook county. D. B. Baker has been made general agent at St. Louis for that territory and adjacent sections. The new Chicago office will have a house warming Feb. 17.

### Illinois Bankers Life Has Added to Its General Agents

Agency Director M. W. Hulsey of the Illinois Bankers Life of Monmouth, Ill., announces these appointments of general agents: E. C. Jackman and W. J. Williams, Grand Island, Neb.; H. W. Williams, Sedalia, Mo.; Emile Thomas, St. Louis, and G. R. Duling, Ottumwa, Ia. Mr. Jackman has been secretary of the Farmers Cooperative Hail of Nebraska, and W. J. Williams has been active in life insurance sales work. Both were members of the Nebraska legislature. H. W. Williams served as executive vice-president and agency supervisor of the Bankers Guaranty Life of Sedalia, Mo., until the change in ownership last summer. Mr. Duling has a reputation as one of the leading personal producers and agency organizers in southern Iowa. His agency having written \$1,750,000 business the first 11 months of 1933.

### Central Life of Illinois Names Five General Agents

The Central Life of Illinois announces the appointment of five important new general agents at San Antonio, Minneapolis, Detroit, Chicago and Elkhart, Ind. William Hoardest, who for several years was head of the leading general agency of the now defunct Security Life of Chicago, has been appointed general agent for the Central Life in Detroit. This is the Central's third general agency in Detroit. At San Antonio, J. M. Albers, formerly agency supervisor for the West Coast Life, has been appointed general agent. Associated with him is his father, G. H. Albers, who will be agency supervisor. Offices are at 409 Brady building.

F. F. Krause, formerly general agent for the Central States Life of St. Louis, has been appointed by the Central Life at Minneapolis with headquarters in the Metropolitan Bank building. The Central Life continues its other agencies at Minneapolis, Duluth and Austin.

E. L. McClure becomes agency manager in Chicago with headquarters at the home office. He was formerly Chicago general agent for the Guaranty Life of Davenport.

R. H. Williams has been appointed general agent at Elkhart, Ind.

Charles L. Sykes, recently appointed Florida general agent by the Mutual Benefit Life, has opened new offices in the Congress building, Miami, maintaining the office in Jacksonville as a district agency.

### Joins United L. & A.



D. W. DONLEY

D. W. Donley has been appointed general agent for the United Life & Accident in Worcester, Mass., with headquarters at 332 Main street. He was formerly with the Travelers in Worcester.

Mr. Donley had been connected with the Travelers some 20 years. He was manager in Peoria, Ill., then was transferred as manager to Philadelphia, where he was in charge for a number of years. He then resigned to go with the Home Life of New York as Philadelphia general agent. Worcester is Mr. Donley's old home.

### Acacia Mutual Appointments

H. W. Jones, for the past five years with the Sun Life in Portland, Me., has been made branch manager of the Acacia Mutual Life there. Another recent branch manager appointment by the Acacia is that of A. G. Kochersperger at New Haven.

### J. W. Stevens

J. W. Stevens has been appointed by the Travelers as assistant district group supervisor in Chicago. He goes from Minneapolis where he has been connected with the company in all lines. Formerly he was connected with the Travelers in Des Moines.

### Carl H. Radeke

Carl H. Radeke has been appointed district manager for the Equitable Life of New York at Springfield, Ill., succeeding J. H. Winstrom, who will now confine his efforts to personal production. Mr. Radeke was formerly district manager for the Equitable at Quincy, Ill.

### Life Agency Notes

The National Life & Accident has installed a new district in St. Joseph, Mo., with C. A. Bernaud, Empire Trust building, as manager.

Fred C. Bonn has been appointed district agent at Aurora, Ill., for the Provident Mutual Life, succeeding Halton Green.

Richard Wix has been appointed manager of the life department of the newly established F. F. Small agency of Los Angeles, representing the Old Line Life. He was formerly with the California-Western States Life there.

Gould & Gould, Seattle general agents, have been appointed district agents in Washington for the Minnesota Mutual Life. O. J. Beaudin, who has represented the company for a number of years, will be manager of the life department.

# ANNOUNCEMENT

**The Lincoln National Life**

**Insurance Company of Fort**

**Wayne, Indiana, this week enters**

**the field of NATIONAL**



**MAGAZINE ADVERTISING\*. A**

**year long schedule of advertise-**

**ments gives LNL field men pres-**

**tige-national recognition-leads.**

*\*Time Magazine, February 12, 1934.*

**WANTED: Managerial Material**



**BUFFALO MUTUAL LIFE INSURANCE COMPANY**

1872

*for the States of New York and Ohio*

There are many men who would make good local and district managers for this 62 year old Company. We are trying to find them. And when we do they will be glad to hear our story. But, frankly, the best managers we have found were men who started with us as agents. Our problem is to fit good men to available territory in the states of Ohio and New York.

Buffalo Mutual Life is a progressive Company, growing fast, but not so large as to make individual attention and instruction difficult. If you feel you are managerial material and are willing to prove it by starting as an agent, write in confidence and detail to E. Parker Waggoner, Supt. of Agents, Buffalo, N.Y.

**18 POLICIES... Birth to Age 60... DEPENDABLE PROTECTION**

Whole Life Special • 20 Payment Life Special • Multiple Option Life and Annuity • 10 and 20 Year Modified Ordinary Life • 10 and 20 Year Family Income • Endowment at Age 65 • Ordinary Life, Endowment at 85 • 20 Payment Life, Endowment at 85 • 10, 15 and 20 Year Endowment • Special Convertible Term • 10 Year Term • Children's Policies (Three Forms) Birth to Age 10



## Economic Freedom

● The Constitution of the United States was drawn to give us inalienable right of life, liberty and pursuit of happiness. No necessity was seen for guaranteeing *economic freedom*. The frontier then offered an escape from financial disaster.

● 150 years later—and there are now no frontiers. Economic freedom is the greatest of problems.

● Given the ability to dream of great achievements, the builders of the Institution of Life Insurance had the courage, determination and honesty to blend those dreams into a tangible thing—a conveyance guaranteeing the economic freedom of our people. Conditions of the past few years have severely tested and *proven* the right of life insurance to play such an important part in the national life of our country.

*Are you interested in the profession? You will find it pays to be friendly with the*

**PEOPLES LIFE INSURANCE CO.**  
FRANKFORT "The Friendly Company" INDIANA

## PURE PROTECTION LIFE INSURANCE

Is Not Expensive: Estimated Average Annual Cost  
Per \$1000.00 Whole Life Policy

**AGE—35—\$13.17**

REDUCED TO THIS FIGURE BY AN EARNED DIVIDEND

**NO CASH LOAN or CASH SURRENDER VALUES**  
OR OTHER EXPENSIVE SO-CALLED INVESTMENT FEATURES

No Winds of Chance—No Sudden Change in the Current of Business  
Affairs Can Affect the Strong Financial Position of This Company

Excellent opportunity for salesmen—Illinois, Michigan, Indiana, Missouri.

**INTERSTATE RESERVE LIFE**  
MUTUAL LEGAL RESERVE LIFE INSURANCE  
10 EAST PEARSON ST. CHICAGO

## THE BEST FOR LESS



Hotel Savary  
Des Moines, Iowa



Hotel Fort Des Moines  
Des Moines, Iowa



Hotel Blackhawk  
Davenport, Iowa



Hotel Mississippi  
Davenport, Iowa



Hotel Davenport  
Davenport, Iowa



Hotel Hanford  
Mason City, Iowa



Hotel Saint Paul  
St. Paul, Minn.

Next Time you travel in Iowa or Minnesota try Black Hawk Hotels for comfort, convenience and savings. Our low prices mean traveling economy for you! Minimum rates at our hotels range from \$1.50 to \$2.50 and we have PLENTY of minimum rate rooms to offer. Extra guest only \$1.00.

**BLACK HAWK HOTELS**

## LIFE COMPANY CONVENTIONS

### Consider Effective Methods

**Provident Mutual General Agents Association Holds Convention in Atlantic City**

The convention of Provident Mutual general agents in Atlantic City was built about methods that are effective now. Paul Loder, Philadelphia general agent and president General Agents Association, opened the meeting. J. S. Scott of Rochester, secretary-treasurer of the association, summarized the convention last year and F. C. Morss, manager of agencies, outlined plans.

Vice-president A. J. Davis, in charge of investments, discussed the financial point of view, finding no cause to fear extreme debasement of currency or wildly uncontrolled credit inflation in the federal administration's program. Owners of life policies and other fixed income obligations will profit if the administration succeeds in its effort to re-establish commodity prices on the 1926 level, he said.

#### Tells Production Methods

A. F. Gillis of Newark outlined methods by which his agency increased premiums 56 percent last year. S. D. Marquis of the Marquis & Ellsworth agency, Chicago, told of his Saturday agency meetings. M. W. Colby, Decatur, Ill., told how his agency set a new business record last year. W. D. Cross, assistant manager of agencies, presided.

Vice-president L. C. Ashton discussed qualifications of a good agent. Henry Bossert, Jr., manager agency research department, spoke of agency expenses, showing how collection of annual premiums more than doubled the profits of general agents over quarterly collections.

President M. A. Linton discussed the financial side. M. L. Williams, assistant manager of agencies; E. M. Bechtel, agency assistant, and Mr. Loder presided at three general sessions. Group meetings also were held.

#### Other Features on Program

L. F. Paret, Philadelphia and Camden, N. J., general agent, showed a form of report required of agents relative to prospects. C. D. Connell, New York, gave case histories of all new men recruited in 1933. E. S. Albritton, Chicago, outlined his agency selection methods. Spiller Hicks discussed his training methods used in Virginia and West Virginia. Willard Ewing, Kansas City, described supervision methods there.

A. M. Hammer, Boston, was elected president of the association; M. W. Colby, Decatur, vice-president; A. F. Gillis, Newark, secretary-treasurer, and H. C. Martens, St. Paul, auditor. Messrs. Loder and Paret were named on the executive committee.

### Country Life's Annual Rally

The annual agency meeting of the Country Life of Chicago was held this week at Decatur, Ill. The guest speakers were Walter Cluff, educational director Kansas City Life, and J. W. Baldwin of Chicago, manager Retail Credit Company. Manager L. A. Williams was in charge of the meeting. There were a number of talks made by men in the field and officials. Mr. Williams gave a talk the last morning on "Testing and Discovering Sales Ability."

### Monarch's Michigan Meeting

Col. J. W. Blunt, vice-president and agency superintendent of the Monarch Life, was the principal speaker at the annual sales conference of Michigan agents in Detroit. A. A. Maier, branch manager for Michigan, conducted the clinic, assisted by J. D. McLaren, agency manager.

### Optimistic as to Farm Loans

**Head of Bankers Life of Nebraska, at Agency Convention, Deplores Revival of Cut-Throat Competition**

LINCOLN, NEB., Feb. 15.—Speaking to the 125 agents of the Bankers Life of Nebraska, in attendance at the annual agency meeting in Lincoln, President H. S. Wilson said that among the keenest disappointments of the last two years has been the revival of "cut-throat" competition. This resulted in wiping out much that had been done by companies and underwriters associations to build up a spirit of cooperation and goodwill.

#### Tells Company's Position

Mr. Wilson said the company now has no borrowed money, a sizable portion of the funds used to liquidate RFC loans being secured through refinancing of mortgage loans by the federal land banks. Mr. Wilson said that while farm mortgages bore the brunt of the depression first and while they have lost some of their liquid character, company officers feel there is no other type of investment that so well fits into the handling of trust funds over a period of time. Land holdings taken through foreclosure or deed have cost the company an average of \$39.49 an acre, which is less, he believes, than they would bring if necessary to dump on the market at auction.

Mr. Wilson said that in spite of decrease in insurance in force, the company is but 13 percent from its top, and is back about where it was in 1928.

C. Petrus Peterson, general counsel, headliner at the annual banquet, accepts as inevitable a changed economic life for the nation, and the extension of government control over business, but can not see in any of the proposals anything to affright legal reserve life insurance.

Agency Manager A. B. Olson presided at the three-day session.

### Peninsular Life Managers Meet

President White L. Moss of the Peninsular Life, Jacksonville, Fla., speaking at a managers' meeting there, said 1933 was "one of the most successful years of the company's history, not only for increase in the sale of insurance but a greatly improved financial condition."

With regard to the future Secretary J. R. Anthony said that "Florida is on the threshold of one of the most prosperous periods in its history," and this, in his opinion, makes the outlook bright for the company.

Managers were present from Georgia, Florida, North and South Carolina and Virginia; Nassau, British West Indies, and Kingston, Jamaica.

### Bankers of Iowa Meeting

Cash and government securities of the Bankers Life of Iowa increased from \$9,000,000 to \$11,500,000 since December, President G. S. Nollen told 150 salesmen of the company at a meeting in Des Moines Saturday. Plans for the current year were discussed. Other speakers were W. W. Jaeger, vice-president and director of agencies; E. McConney, actuary; O. B. Jackman, superintendent of agents, and B. H. Williams, educational director.

### Plan Midland Mutual Meet

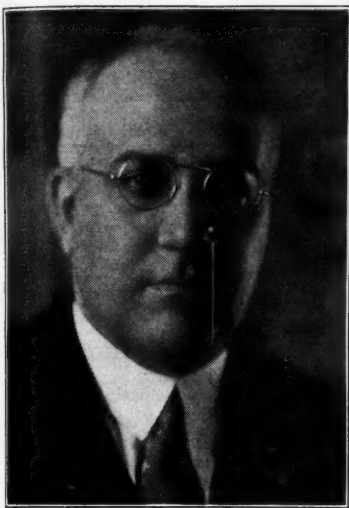
COLUMBUS, O., Feb. 15.—The Midland Mutual Life is planning to hold a general convention here about the middle of April. Practically all of the speakers will be selected from the Midland Mutual field with the exception of Stanley Martin, the outstanding writer of the John Hancock Mutual in Columbus.

## IN THE SOUTH AND SOUTHWEST

### O. Sam Cummings Is Honored

**Anniversary of His Entry Into Life Insurance Results in Production Drive**

DALLAS, Feb. 15.—In celebration of the twelfth anniversary of the arrival of O. Sam Cummings in Texas and his



O. SAM CUMMINGS

entry into the life business Feb. 1, 1922, the O. Sam Cummings Agency staged a special drive for business during January which accounted for \$3,158,000 of business. This was the largest January in the 29 years history of the agency, and the largest single month of production since 1924. The business Feb. 1, the anniversary date, amounted to \$669,600, the largest single day's business in ten years.

Mr. Cummings entered life insurance from the international secretaryship of Kiwanis. He became assistant manager of the Orville Thorp Agency, Texas general agency of the Kansas City Life. A year afterward Mr. Cummings became a partner of the late Orville Thorp, and was later assistant superintendent of agencies for the company at the home office. Upon Mr. Thorp's death in 1928 Mr. Cummings returned to Texas to become the successor. In the five years and seven months of his management the agency has produced \$70,550,000 of business.

Mr. Cummings has just completed terms of office as president of the Texas State Association of Life Underwriters, and president of the Dallas Life Insurance Managers Club. At the recent convention of the National Association of Life Underwriters he was elected fourth vice-president and reelected a director of the American College of Life Underwriters.

### Two Texas Tax Bills

AUSTIN, TEX., Feb. 15.—Two bills placing occupational taxes on life companies have been introduced in the Texas house. The Roberts bill provides a 3 percent tax on gross premiums when less than 30 percent of the companies' reserves are invested in Texas securities. A graduated reduction in taxes is made in proportion to the increase in amount of Texas investments. The Good bill provides a maximum occupation tax of 5 percent on foreign companies and 4½ percent on domestic companies with a graduated reduction according to the amounts invested in Texas securities.

### Englehart Shows Gain

Philip Englehart, in his first year as Oregon general agent of the Massa-

### Many Attacks on Ripper Bill

**Life Companies Protest Proposed Transfer of Control of Kentucky Insurance Department**

LOUISVILLE, Feb. 15.—Opposition to the "ripper" bill in Frankfort, which would take control of the insurance department from the auditor and place it under the governor, is developing from many sources. It passed the house 69-29.

Life company officials are opposed to the transfer, in that present insurance department heads are familiar with the problems of the companies, and a change in administration would result in hardship on companies doing business in Kentucky.

The state auditor holds \$18,165,455 in securities pledged by various companies operating in the state, and representing their deposited legal reserve, and a transfer of these securities to the state treasurer would result in necessity for revaluation, under the bill.

The "ripper" bill would make it necessary for a commissioner to have had at least five years previous experience in the insurance business.

Another bill that has been introduced would throw all money collected by the state into one general fund, other than gasoline taxes for highways, and this would probably result in the insurance department, which is maintained by a part of the fees collected from the insurance business, being handicapped by lack of funds. The general funds of the state are more than \$20,000,000 overdrawn, with the result that there are many who are objecting to some departments being fortunate enough to be able to collect their own funds.

### Signs Mutualization Measure

**Virginia Law Facilitates Change from Stock Basis—Department Sponsors Other Life Bills**

RICHMOND, VA., Feb. 15.—Governor Peery has signed the measure sponsored by the Virginia department providing for conversion of a domestic stock life company into a mutual. The bill carried an emergency clause making it effective at once. Before the plan can be effected it must be approved by a majority of stockholders and directors and by holders of two-thirds of the stock. It must also be approved by the state corporation commission.

The Virginia department is also sponsoring a number of other measures affecting life insurance which are now pending in the assembly. One of them provides definite penalties for fraudulent procurement of a policy. The only punishment that can now be meted out is cancellation of the license. Under provisions of another bill the requirement for the commencing of business by mutual life companies is raised from 100 persons and \$10,000 to 500 persons and \$100,000. Such companies are also prohibited from being converted into stock companies. A proposed amendment prescribes standard provisions for life policies. Another proposed amendment would exempt the proceeds from group policies from being attached for debt.

### Hopkins Visits Texas

D. W. Hopkins, assistant to President W. W. Head of the General American Life of St. Louis, has been visiting Texas agencies. He conferred with district managers in Dallas, Fort Worth and other places.

chusetts Mutual Life, showed a gain of 33 percent in new business.

## JOIN UP NOW

### General Agencies

For experienced and well qualified men, territory is now available in Illinois, on an Old Fashioned General Agency Basis at:

ROCKFORD  
WAUKEGAN  
JOLIET  
DANVILLE  
ALTON  
SPRINGFIELD



These territories in one of the best insurance states in the Union, are filled with opportunity for men with foresight and ambition. You now have an opportunity to become a General Agent with the support and co-operation of a Company that has been depression tested. You will have

the supervision of a Home Office agency staff made up of men who have gone "through the mill" successfully and who are willing and ready to help you.

Cole Y. Rowe, President

# AMERICAN BANKERS INSURANCE COMPANY CHICAGO

Executive Offices: Jacksonville, Ill.

### LITTLE TOWN, WHAT NOW?



This company's leading producer in paid business last year is located in a town of less than two thousand population. His leadership may be ascribed to intensive cultivation of available prospects; to seeing the people and letting the law of averages work for him.

Happy evidence of truth in the proverb that a man's town is only as big as he is!

Let life underwriters who would succeed in 1934 remember that what counts is not the size of the town, but the size of the man in the town.



Inc. 1871  
Bradford H. Walker  
President

## The Life Insurance Company of Virginia RICHMOND, VIRGINIA

### UNUSUALLY ATTRACTIVE DIRECT HOME OFFICE CONTRACT In Unassigned Territory

## GREAT REPUBLIC LIFE INSURANCE CO.

T. J. McCOMB, President  
Great Republic Life Building, Los Angeles, California

### THE UNITED STATES LIFE INSURANCE COMPANY

Organized 1850 In the City of New York Non-Participating Policies Only  
Over 80 Years of Service to Policyholders  
Good territory for personal producers, under direct contract  
HOME OFFICE: 156 Fifth Avenue, New York City

Do your fellow agent a good turn—get him acquainted with  
The National Underwriter, the real insurance newspaper.



**Massachusetts Mutual**  
a synonym for  
*quality and excellence*  
in  
**Life Insurance**

## MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

SPRINGFIELD, MASSACHUSETTS

Organized 1851

## GLOBE LIFE INSURANCE Co. OF ILLINOIS

Pose Barry Dietz  
President

Wm. J. Alexander  
Secretary

HOME OFFICE ADDRESS SINCE 1895  
431 South Dearborn St.  
CHICAGO

• Brokerage Business Solicited in Illinois

A  
LEGAL  
RESERVE  
COMPANY

NEW JERSEY

NEW YORK

**INDUSTRIAL—INTERMEDIATE**  
**The Colonial Life Insurance Company**  
OF AMERICA  
HOME OFFICE—JERSEY CITY, NEW JERSEY

**Ordinary — Group**

"A Good Company To Represent  
—Represent a Good Company"

PENNSYLVANIA

CONNECTICUT

## MANAGERS' ASSOCIATION NEWS

### Urges Information Service

**Miss Bliven Tells Philadelphia Supervisors Women Should Be Better Educated in Life Insurance**

The speaker for the supervisors group of the Philadelphia Association of Life Underwriters was Miss Sophia W. Bliven, manager of the women's department of the Penn Mutual Life. She made an appeal for the dissemination of life insurance education and information to women. In this category she was thinking of the women in the home—the wife—the mother. Miss Bliven has had a very illuminating experience during the last three years in women's clubs—an experience which has brought close to her mind the fact that many intelligent women home-makers are eager for information on life insurance.

Miss Bliven emphasized the point that it was not the duty only of women agents but of men as well to appeal to the wife and the mother toward the end of more adequate purchase of life insurance for family needs. She advanced the thought that it would be a splendid thing if some of the national advertising of life insurance would be directed to women rather than, as seems to be the case at the moment, all of the advertising being directed to men.

She also made another point that was of vital significance—to the effect that life insurance people should get hold of the youth and impart to them the power of compound interest. "We should," said Miss Bliven, "put romance in the sale of life insurance to children."

### Hold Round Table on What to Stress with New Agents

The question whether to emphasize first the institution of life insurance, the company or the agency in interviews with a prospective new agent, was the subject of a round table held by the Life Agency Supervisors Association of Chicago. John Murphy, supervisor Bokum & Dingle general agency Massachusetts Mutual, led discussion.

Preponderance of opinion was that the institution should be given greater emphasis although some supervisors believe the company, its age, reputation, financial condition, etc., should be stressed first, and one supervisor held that the factor of greatest importance to the incoming agent is the agency with which he will be associated. The institution has a deep seated place in public confidence, and integrity of the great majority of companies is something susceptible of quick proof. The environment in which the agent will work and the way in which the agency is organized to help new men, are of vital importance.

Mr. Murphy said back in 1906 when he was young in the business the public attitude was that life insurance was only indemnity. For the period 1910-1917, when the government was issuing war risk insurance with indemnity payable \$57.50 monthly, the public looked upon life insurance largely as a means of replacing income lost through death or disability. From 1929 on to the present the investment angle has been uppermost.

### NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest," published annually in May at \$5.00 and the "Little Gem" published annually in March at \$2.00

### Out on Participating Basis

**Aetna Life Nonparticipating Retirement Annuity to Other Plan March 1; Rates Are Given**

The Aetna Life on March 1 will replace the nonparticipating retirement annuity with a similar contract in the participating department.

Dividends are payable beginning the second year. Except for the first two years, cash values are lower than for the old contract, but the new plan allows dividends to accumulate at interest. Straight life annuity is the automatic option at maturity but annuitant may select a refund annuity instead. Guaranteed rates of income are minimum amounts that will be paid.

The annuity to be paid will be at least 102½ percent of that which cash surrender value at the time annuity commences will purchase at the then published rates of the company, with adjustment for the first payment being made immediately. The minimum annual premium which will be accepted is \$50 and the maximum \$2,500. The new monthly incomes for males per \$100 annual premium are:

Age	Life Annuity				
	50	55	60	65	70
20.....	\$26.99	\$39.16	\$56.78	\$82.77	\$121.83
25.....	20.29	30.25	44.70	66.08	98.29
30.....	14.66	22.74	34.53	52.02	78.46
35.....	9.91	16.43	25.96	40.18	61.77
40.....	5.92	11.11	18.76	30.21	47.72
45.....	2.59	6.64	12.68	21.83	35.88
50.....	.....	2.90	7.58	14.76	25.92
55.....	.....	.....	3.31	8.82	17.53
60.....	.....	.....	.....	3.86	10.47

Age	Refund Annuity				
	50	55	60	65	70
20.....	\$24.67	\$34.97	\$49.25	\$69.34	\$98.00
25.....	18.55	27.01	38.77	55.35	79.96
30.....	13.40	20.31	29.95	43.58	63.11
35.....	9.06	14.67	22.52	33.66	49.69
40.....	5.41	9.92	16.27	25.31	38.33
45.....	2.37	5.93	11.00	18.29	28.89
50.....	.....	2.59	6.57	12.37	20.85
55.....	.....	.....	2.87	7.39	14.10
60.....	.....	.....	.....	3.23	8.42

Cash values per \$100 of annual premium are:

End of Yr.	Cash Value	End of Yr.	Cash Value
1.....	\$ 65	30.....	\$ 4,753
5.....	456	40.....	6,159
10.....	1,043	50.....	7,816
15.....	1,746	60.....	9,791
20.....	2,582	70.....	12,136
25.....	3,574	80.....	14,921

### Production Prizes Awarded

More than 70 guests attended the dinner which concluded the production campaign of the F. H. Lewis agency of the Massachusetts Mutual Life in Newark. Mr. Lewis announced that B. W. Douglas had scored the highest number of points in the three-months production campaign. A. W. Olson won second prize.

## NEWS OF THE FRATERNALS

### Attempts to Tax Fraternal

**Governor Murray of Oklahoma Precipitates Old Issue; Societies Everywhere Are Concerned**

Fraternal are much concerned over the action of Governor Murray of Oklahoma in ordering suits filed against the Modern Woodmen of America, Homesteaders Life Association, Women's Benefit Association, Port Huron, Mich., Modern Brotherhood and other large fraternal in Oklahoma county district court, seeking recovery of large sums claimed to be due the state in back taxes, unpaid interest, fees and accrued penalties.

The petitions claim that the fraternal are engaged in writing old line life insurance under the guise of fraternal life insurance and so are subject to Oklahoma laws governing foreign companies requiring \$200 a year entrance fee and 2 percent tax since entering the state in 1907. Penalties are demanded, which, with the back taxes and entrance fees would amount to \$344,532 from the Modern Woodmen and \$37,829 from the Homesteaders.

The petitions in the other cases seek a total of \$49,956, \$27,854 from the Modern Brotherhood and \$22,102 from the Women's Benefit. Premiums collected by the Modern Brotherhood since entering the state aggregate \$517,706. The Women's Benefit reported \$510,115 collected in premiums since 1916.

#### Additional Suits Filed

Nine additional suits were filed last week, seeking a total of \$132,302 in back taxes and penalties. The fraternal sued and amounts are: Aid Association for Lutherans, Appleton, Wis., \$10,014; Court of Honor Life Association, Springfield, Ill., \$22,149; Benefit Association of Railway Employees, Chicago, \$11,252; American Workmen, Washington, D. C., \$7,449; Eminent Household of Columbian Woodmen, Atlanta, Ga., \$17,836; Chicago Fraternal Life Association, \$6,390; Columbia Mutual Life Association, Jackson, Miss., \$8,625; American Insurance Union, Columbus, O., \$31,894, and Supreme Camp of the American Woodmen, Denver, \$29,735.

The tax crisis in all states is considerably worrying fraternal. Legislators are desperately seeking every source of revenue in order to meet expenses. There have been tax strikes in many states during the depression. Governor Murray is the first to revive the old effort to make the fraternal pay taxes.

The fraternal always have operated as no-profit thrift associations and for 66 years have been exempted from taxation on the grounds they were charit-

able and benevolent organizations. They have a representative government, do charity work, dispense benevolence, promote religious understanding, award educational funds and teach respect for government.

Their contention is that they should not be penalized because they have departed from the old inadequate rate basis, generally adopting the legal reserve plan, and have made themselves safe and sound.

### Program Ready on Medical Section of Fraternal Meet

Dr. A. D. Cloyd, medical director Woodmen of the World, Omaha, will read a paper on "Health and Environment" at the mid-winter session of the medical section of the National Fraternal Congress to be held in Chicago Feb. 22-23. There will follow a round table on medical subjects.

Dr. G. C. Winterson, medical director Supreme Forest, Woodmen Circle, Omaha, is president of the section. Other officers are: Vice-president, Dr. E. L. Mason, medical director National Mutual Benefit, Eau Claire, Wis.; second vice-president, Dr. Hada M. Carlson, supreme physician Royal Neighbors, Rock Island, Ill.; secretary, Dr. Tracy H. Clark, medical director National Union Assurance Society, Chicago, and treasurer Dr. J. P. Smyth, medical director Catholic Order of Foresters, Chicago.

### Gives Good Account of Its Stewardship in Insurance

A. O. Benz, president of the Aid Association for Lutherans of Appleton, Wis., and his associates in making a report show that from Dec. 1, 1932, to Nov. 30, 1933, it had issued \$15,772,750 adult insurance and \$3,610,100 juvenile, or a total of \$19,382,850 as compared with \$21,874,550 during the same period in 1932. It represented a gain of 20 percent as compared with 1929, although 11 percent under 1932. During the four year period ending Dec. 31, 1933, the association experienced its largest gain in new business. The average gain in production has been 29.8 percent during the latter part of the year. The Aid Association for Lutherans is a well managed institution. It is serving its policyholders admirably.

#### Lutheran Brotherhood Figures

The Lutheran Brotherhood of Minneapolis shows an increase in mortality rate last year, it being 40.08 as compared with 24.51 percent in 1932, 31.72 percent in 1931, 21.31 percent in 1930.

## WOODMEN of the WORLD

### LIFE INSURANCE ASSOCIATION

OMAHA, NEBRASKA Statement—July 1, 1933 DE E. BRADSHAW, Pres.

#### ASSETS

Government, County and Municipal Bonds (Book Value).....	\$103,205,035.33
Loans on Certificates.....	3,355,877.48
Loans on Real Estate (1st Liens).....	633,009.02
Real Estate.....	1,134,273.97
Cash in Depositories and Office.....	2,023,259.66
Assessments and Installments in Hands of Financial Secretaries.....	611,225.40
Interest Due and Accrued (Estimated).....	2,218,832.90
Other Assets.....	506,098.47
<b>Total Assets.....</b>	<b>\$113,887,612.23</b>

#### LIABILITIES

Mortuary Claims in Process of Adjustment.....	\$ 903,965.11
Mortgage Payable.....	250,000.00
Miscellaneous.....	112,319.42
<b>Total Liabilities.....</b>	<b>\$ 1,266,284.53</b>
Certificate, Contingent and Other Reserves.....	112,621,327.70
<b>Total.....</b>	<b>\$113,887,612.23</b>

## The A. O. U. W. of North Dakota

AMERICA goes back to work again in field, forest, and factory. We are proud to be doing our part. No matter in what business or line of individual activity a person may be engaged, now is the time to lift anchor and sail with the leaders, as business goes ahead. The new order of business calls for the qualities of thrift and enterprise, backed by confidence and a willingness to work. In the carrying out of such plans, the aid of the A. O. U. W. should be an integral part. Many years of operation on a Legal Reserve Basis places the A. O. U. W. of North Dakota in a prominent position, as one of the leaders in the life insurance field.

### Home Office: FARGO, NORTH DAKOTA

**BRADLEY C. MARKS**

Grand Master Workman

**E. J. MOORE**

Grand Recorder

## Increasing Activities

of this Company have required expansion of our facilities for service to our agents and Policyholders. To meet this need in Cook County we have just opened an enlarged office in Chicago, at 176 W. Adams St.

Branch offices are maintained in the following cities:

CHICAGO . . . . 1041 Midland Bldg.  
DETROIT . . . . 1405 Majestic Bldg.  
INDIANAPOLIS...1101 Inland Bldg.  
KANSAS CITY.. 509 Reliance Bldg.  
ST. LOUIS . . . 1026 Chemical Bldg.



**BANKERS MUTUAL LIFE CO.**

**FREEPORT, ILLINOIS**

Founded in 1907



"What do you mean, extra reward?"

"It's too long a story to tell you here, but if you want to know about a real agency contract that guarantees an independent income to the man of character, and ability, just drop a line to the . . ."

**CONTINENTAL  
AMERICAN  
Life Insurance Co.**

**Wilmington-Delaware**

For Agency Matters Address  
**GEORGE A. MARTIN, Vice-President**

The average in 10 years, however, is 27 percent. In 1928 its mortality was 40.25 percent. The mortality, however, is remarkably low. The assets are \$4,198,809. It puts up a contingency reserve of \$60,000 and has a net surplus of \$319,484. It paid dividends last year \$136,189. Its death claims were \$142,322. The dividend scale of 5 percent will remain the same. The net interest earned was 4.5 percent. Its insurance in force is \$42,568,441, gain 3.88 percent. Its assets increased 14.41 percent. Its total income is \$1,389,822, gain 2.66 percent. Its surplus gain is 6.12 percent.

### Organize Pathfinder Life to Replace Nebraska A. O. U. W.

Steps in organizing the Pathfinder Life, to replace the Nebraska A. O. U. W., have been taken. It has been licensed in Nebraska. The Nebraska A. O. U. W. is the first to take advantage of the 1927 law permitting fraternal to be reorganized as non-profit life companies.

Headquarters will be in Grand Island. The officers are: President, Henry L. Pletcher, Grand Island; vice-presidents, L. E. Laflin, Crab Orchard; J. E. Hoye, Wood River; J. W. Little, York, and F. E. Pope, St. Paul; secretary, S. D. Long, Cowles, and treasurer, F. A. Robertson, Hastings.

No opposition is anticipated to the plan of the A. O. U. W. of Nebraska of submitting a referendum to members by mail on the plan. Grand Master H. L. Pletcher and other officers propose to have \$1,430,000 capital and surplus. The Nebraska A. O. U. W. is 47 years old.

### Honored by Residents of Arkansas Birthplace



**DE E. BRADSHAW**

De E. Bradshaw, president of the Woodmen of the World of Omaha, is being honored this Saturday at Melbourne, Ark., by the people of his native Izard county. The program will be featured by a performance of a drill team organized by Woodmen of the World Camp at Little Rock.

Mr. Bradshaw was born on a farm near a town then styled Drytown. At the age of 16 he taught school and later was at National Normal University, Lebanon, O. He traveled in Michigan and then returned to Arkansas to study law and continued in the practice of law at Little Rock until he removed to Omaha as general counsel of the Woodmen of the World. Mr. Bradshaw's mother still resides in Izard county and is nearing her 97th birthday.

## NEWS OF LIFE ASSOCIATIONS

### Past Presidents Are Honored

**Thirteen of 24 Men Who Have Held That Position in Attendance at Luncheon in Detroit**

DETROIT, Feb. 15.—Nearly 200 attended the annual past presidents' luncheon of the Qualified Life Underwriters to honor the 24 past presidents of the association and its predecessor, the Life Underwriters Association, of whom 13 were at the speakers' table.

Oldest of the past presidents at the luncheon in point of service was William Van Sickle, president in 1902-3, who has represented one company 45 years. Others were Frank Campbell (1906-7); D. A. Johnston, (1910-11); M. H. Zacharias, Equitable, N. Y. (1914-15); E. W. Owen, Sun Life of Canada (1916-19); R. M. Ryan, Equitable, N. Y. (1919-20 and 1926-27); J. G. Morey, Guardian (1920-21); J. F. Lawton, Connecticut General (1922-23); M. L. Woodward, Northwestern Mutual (1923-24 and 1926-27); E. W. Baker, former general agent Aetna (1927-28); D. T. MacKinnon, Provident Mutual (1929-30); H. E. Vande Walker, Ohio State (1930-31), and T. F. O'Keefe, Connecticut General (1931-32).

Mr. O'Keefe introduced the past presidents. Mr. Owen gave an inspirational talk on "The Mental Attitude," declaring that the positive mental attitude makes all the difference between success and failure in life underwriting. Mr. Woodward urged agents to have a sizeable prospect list, so that there will always be a list of prospects available for the next day's work. "We have too many experts and not enough workers; too many counsellors and not enough agents," he asserted. Mr. Ryan urged the exercise of imagination to grasp the opportunities that await the worker in the life field today.

Messrs. Morey, Zacharias and Van Sickle gave brief humorous anecdotes concerning prominent figures in the business here and reminiscences of the old times in Detroit.

### Annual Meeting May 5

Decision was reached at a meeting of the executive committee of the Illinois Life Underwriters Association in Decatur to hold the annual meeting of the association in that city May 5. Joint committees were appointed including the officers of the state association and of the Decatur association, who immediately started planning for the annual meeting. Those attending the Decatur meeting were J. Hawley Wilson, Peoria, president Illinois association; Charles Axelson, first vice-president; C. R. Light, secretary; N. P. Blanchard, chairman executive committee, and C. H. DeLong, Champaign, downstate chairman legislative committee, together with officers of the Decatur association.

The Decatur gathering concluded a three day tour of downstate cities, where Roy L. Davis, president Chicago association, addressed the life underwriters associations. Cities visited were Elgin, Champaign, Danville, Decatur, Bloomington and Springfield. Increased membership activity in each of the associations is apparent.

### Ohio Men to Educate Public

The Ohio association is developing a campaign to educate the public on life insurance. It is planning to create a state-wide speakers bureau to present some phase of life insurance to parent-teachers associations, women's clubs, and service or luncheon clubs.

In towns where there are local associations, the organizations will conduct essay contests in senior high school classes with local prize awards and per-

haps a grand prize of a scholarship in some college of commerce and finance. It is estimated the budget will require \$9,000 per year, including an executive secretary, office, printing, traveling, prizes, etc., which is to be financed by Ohio life companies and general agents. The program is to be carried through a five-year period.

It is estimated the plan can be carried through on a minimum subscription of \$10 per year and agencies that are paying for over a \$1,000,000 a year are being urged to contribute \$7.50 for each additional \$500,000 of major fraction thereof.

**Philadelphia**—President C. V. Anderson of the National association spoke this week on "Have You Made Your Will?"

### TO ALL CREDITORS AND POLICY- HOLDERS OF AND CLAIMANTS AGAINST THE NATIONAL LIFE INSURANCE COMPANY OF THE UNITED STATES OF AMERICA:

Pursuant to the decree entered on February 7, 1934, by the Superior Court of Cook County, Illinois, in the case entitled, "People of the State of Illinois, ex rel. Ernest Palmer, Director of Insurance of the State of Illinois, vs. National Life Insurance Company of the United States of America, a corporation," in the Superior Court of Cook County, Illinois, in Case No. 1934-100, public notice is hereby given to all persons, firms and corporations, whether policyholders or not, having or asserting any claim or demand against the National Life Insurance Company of the United States of America, or having or asserting any title to or lien upon or equitable interest in any of the assets forming part of the receivership estate being administered by the undersigned Receiver, or having or asserting any preference priority or security over creditors generally, that a contract between the Hercules Life Insurance Company, an Illinois corporation, and the undersigned, Patrick J. Lucey, as Receiver of the National Life Insurance Company of the United States of America, was authorized to be and has been executed, under which the policies and contracts of insurance, supplementary contracts, annuity contracts, and the reinsurance contracts, issued, assumed or reinsured by the National Life Insurance Company of the United States of America, have been assumed and reinsured by the Hercules Life Insurance Company subject to the lien, and upon certain terms and conditions set forth in said contract, a copy of which may be had upon application to the undersigned Receiver.

Any policyholder who does not wish to accept the benefits of said contract may file a claim in the manner and within the time hereinafter referred to, and in that event Hercules Life Insurance Company shall be under no obligation or liability of any kind or character as to the policy or contract in respect of which such dissent is made and claim filed, and the policy or contract of such policyholder shall be considered as terminated as of October 17, 1933. Every policyholder who does not so dissent shall be deemed to have accepted the benefits of said contract and to have assigned his claims to Hercules Life Insurance Company, as provided in said decree and in the aforesaid contract.

All persons to whom this notice is given are required under the terms of said decree, on or before sixty days from the date of the entry thereof, to file written proofs under oath, in duplicate, of their respective claims or demands, with the undersigned Receiver, at his office, 29 South La Salle Street, Chicago, Illinois, and in default of so doing, they shall be forever barred and precluded from participating in the distribution of the assets of the National Life Insurance Company of the United States of America or of the moneys, assets or property in or which may hereafter come into the possession of the Receiver, or the proceeds thereof or income therefrom.

Said decree further makes provisions regarding the manner of proving such claims and demands.

A copy of said decree is available at the office of said Receiver. Blank proofs of claim are also available at the office of the Receiver which will be furnished by the Receiver upon application to any claimant or his attorneys for use in making a proof of claim.

Dated Chicago, Illinois, February 8th, 1934.

**PATRICK J. LUCEY,**

as Receiver of the National Life Insurance Company of the United States of America, 29 South La Salle Street, Chicago, Illinois.

**CONCANNON & DILLON,**

Attorneys for Receiver,  
69 West Washington Street,  
CHICAGO, ILLINOIS.

# SALES IDEAS AND SUGGESTIONS

## Unwillingness to Work Principal Reason Why Agents Fail to Make Living, Horace Mecklem Claims

Most general agents and managers fall down in their seeming inability to induce agents really to work in the field an average of six hours a day, Horace Mecklem, general agent New England Mutual, Portland, Ore., believes. He says he is still trying to find one agent who will leave the office at 9 a. m., return at noon, start out again at 2, return at 5, and do just this five days a week. He confesses he has not yet been able to find such a "glutton for punishment."

Time control, which has been so much discussed in life insurance offices during the last year or so, is only a new phrase and not a new subject, he said. "Time control," Mr. Mecklem avers, "is the hand maiden of self-control. Time has been referred to as the life insurance agent's greatest asset. My observation has been that the truthfulness of this statement has failed to percolate between the lobes of the ears of most agents."

### Agents' Feelings Hurt When Activity Questioned

"It is the sensibilities, not the intelligence of agents which are affronted when they are told they do not do a day's work. Their desire is to be judged by what they did on one day rather than on a series of days. I no longer inquire of a prospective agent if he is industrious. I know beforehand what

his answer will be, and I also know that my hardest job in his development will be to keep him moving in quest of business.

"For almost 30 years in this town, life insurance, the actual sale of it, has made me a living and provided a modicum of luxuries. Financial difficulties resulting from decreased earnings have all come from failure to follow the daily routine of my job.

"I believe that selling life insurance is about as hard a job as one can find in the realm of lucrative employment. I am satisfied that to really succeed in the business a man must be 'a hog for punishment' and be able to 'take it on the chin.'

"'Know your business' is a favorite phrase of those people who write for a living. Far be it from me to deny that knowledge is power, but for a business associate I prefer the man of energy to the one who buries his nose in a book and who in seeking knowledge is too busy to sell for profit what he knows.

"We are agents, not teachers. I still experience difficulty in explaining the technical makeup of a life insurance policy, but am somewhat glib of tongue when it comes to telling a man what \$10,000 will do if he lives or dies.

"I have not yet reached the age of decrepitude and hence do not live in the past. The policies of yesterday do

not meet the financial necessities of today. Their only value lies in the knowledge that the ideas which sold them will sell others.

"In truth and in fact I greet each new morning, not as just another day to live through, but as something which offers real possibilities. There have been many days in the past 30 years when something worth while would drop into my lap, and with the same type of effort I know there will be other like days.

### Employs Simple Time Control Formula

"All that I know of time control is that regardless of what happens the night before I am at my office at 8:15 each week morning, and that the family thinks something is wrong with me if I reach home before 6:30 in the evening. I have a competent secretary who relieves me of all details and practically the entire day is spent in visiting with people.

"As general agent, about half of my time is spent visiting with people who come to my office for one thing and another. The rest of the time I pose as an expert on life insurance and tell men what I think they should buy out of my line. The program has sold an average of a little better than two policies a week for the 20 years I have been with the company. The ten hours a day part of the program has been an important factor.

"It has been my pleasure to know quite a number of successful men engaged both in business and the professions. Most of them are ten hour or more a day men, or were before they reached the heights to which they have climbed. Two insurance agents of equal

### Says Work Needed



HORACE MECKLEM

intelligence, if there are two such, will earn exactly the same amount of money over the period of a lifetime on the expenditure of the same amount of effort. If one happens to be industrious and the other lazy, the latter will be left by the wayside."

The Arkansas Fraternal Congress in convention at Little Rock reelected P. H. Anderson, state manager Praetorians, as president.

**B**UILDERS who would have their edifices endure through the years, look first to their foundations. In our efforts to build a strong life insurance institution, we, too, are seeking bedrock. We are endeavoring to build soundly, conservatively, and permanently.



WALTER W. HEAD, PRESIDENT  
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## Security Life Officials Receive Their Sentence

### CALLED ON TO SERVE TIME

Charged with Looting the Funds of  
 Two Life Companies Now in  
 Receiver's Hands

Judge Epstein in the criminal court at Chicago last week overruled motion for a new trial and sentenced four officials of the Security Life of Chicago and the Northern States Life of Indiana, who had been found guilty of conspiring to loot these companies. Sentences of from one to five years in the penitentiary and fines of \$1,000 each as fixed by the jury were imposed upon M. J. Dorsey, head of the companies, and Edwin Hult, who owned a real estate mortgage concern at Hammond, Ind., and was a director of the companies. C. Edwin Johnson, vice-president of the Security Life, was sentenced to one year in the county jail and ordered to pay a fine of \$1,000. H. W. Huttig, manufacturer of Muscatine, Ia., a director, was sentenced to four months in jail and ordered to pay a fine of \$2,000. Attorneys for these officials were allowed 90 days to file a bill of exceptions in an appeal of the conviction. A stay of mittimus until May 9 was granted.

Judge Epstein ordered that the fines and costs of the prosecution be paid by the defendants before they were released from custody. In passing sentence Judge Epstein said: "This case is a sad commentary on the methods employed by men charged with a sacred trust in the days of frenzied finance." All the defendants were released on bond pending appeal.

## Suggestions for Managing of Agents Given by Gillis

The general agent's problem to secure systematic solicitation work from agents was discussed at the general agency conference of the Provident Mutual Life at Atlantic City by A. F. Gillis, northern New Jersey general agent with Newark headquarters.

If the daily report can be made along the lines of a game rather than a drab routine report, it is much easier to secure 100 percent cooperation, said Mr. Gillis. He has tried several plans, but the one that has proved most effective is posting large charts in the agency room to show the daily records of each man, which include total number of calls, interviews, applications, delivered cases, audits, dates of birth and endless chains. This overcomes the weakness of the monthly report by having a daily check on each man besides the psychological influence of having his record posted against those of other men in the agency.

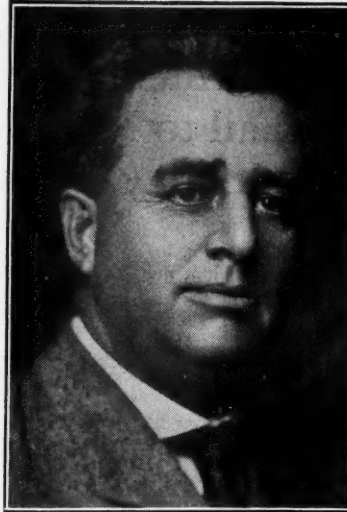
Another agency chart which Mr. Gillis says has proved effective is the posting on the bulletin board of an agent's average production for the current month in previous years. This is set up as an objective and when a man writes an application the amount is deducted from the total production expected on the chart.

In getting his men to work on quotas Mr. Gillis stresses the point of writing 100 applications a year and having three closing interviews a day. The closing interview is one in which the prospect is definitely asked to sign the application. Mr. Gillis also urges his men to use the home office direct mail system.

### Doyle & Raley Named

The General American Life of St. Louis, Mo., is licensed in 18 states. The last license was received from Colorado. Doyle & Raley at Colorado Springs have been named general agents.

## Monoxide Victim



M. M. DEMING

M. M. Deming, 65, Des Moines general agent of the Service Life, was found dead in his garage there, a victim of carbon monoxide gas poisoning. He was at one time agency director of the Western Life of Des Moines, which was reinsured in 1925 by the Royal Union Life. Later he was Iowa manager for the American Central Life.

## Extends Real Estate Holdings

DES MOINES, Feb. 15.—Insurance companies may have to use 30 percent of their total security deposits with the insurance department in certificates of sale, contracts of sales and deeds to real property, under a bill passed by the Iowa house.

## U. S. High Court to Review Two Life Tax Decisions

WASHINGTON, D. C., Feb. 15.—The United States Supreme Court has granted a petition of the Rockford Life for review of a decision of the seventh circuit court of appeals reversing a decision of the board of tax appeals which, in turn, had reversed the action of the commissioner of internal revenue disallowing certain deductions claimed by the company for depreciation, taxes and repairs on account of a home office building and certain depreciation for furniture and fixtures. The appeal was taken on the ground the decision of the circuit court was in conflict with other court decisions permitting depreciation, taxes and repairs.

### Independent Life Case

A review also was granted of the sixth circuit court of appeals decision in a case involving the Independent Life of Nashville, revolving around the question of whether it is within the constitutional power of congress to deny to life insurance companies the right to deduct from gross income taxes, expenses and depreciation with respect to real estate owned and occupied in whole or in part by them, except upon condition that they include in net income, as the rental value of the space so occupied, an amount which when added to the rents received from other tenants will provide a net income at the rate of not less than 4 percent per annum on the book value of such real estate.

## Karstrom Enters Field Work

J. O. Karstrom of Chicago, secretary of the State Life of Illinois, has resigned to become Illinois state manager of the Service Life of Omaha. He is maintaining headquarters at 167 East Ontario street, Chicago, for the time being.

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